Committed to Deliver.

Embracing Change

Can Fin Homes Ltd
(Sponsor : CANARA BANK)
HOME LOANS + DEPOSITS
Translating Dreams into Reality
ಕ್ಯಾನ್ ಫಿನ್ ಹೋಮ್ಸ್ ಲಿ.

Can Fin Homes Ltd
Annual Report 2020-21

Inside Report

02–28

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To know more about us in digital mode, scan this QR code in your QR mobile application.

or visit

www.canfinhomes.com

Of all the aspirations of a burgeoning middle class, home ownership is the most desired. We are proud to support our nation's dreams and fulfil the ambitions of first-time home buyers. Can Fin has consistently reiterated its commitment to fulfil the promise of making affordable housing a reality for a large section of the Indian population.

Our strong resolve and constant focus on meeting the evolving needs of our customers continue to propel us towards new directions of growth. While we anticipate emerging requirements and develop strategies to steadily respond to them, we are introducing products and solutions that cater to varied socio-economic segments.

Alongside, we are embracing change, ushering digital transformations and inculcating new realities to seamlessly integrate processes, thus strengthening our capabilities, reaching further and cementing our position as a trusted housing finance provider.

Corporate Information

Can Fin Homes Limited

Registered Office

#29/1, 1st Floor, Sir M N Krishna Rao Road
Near Lalbagh West Gate, Basavanagudi, Bengaluru 560004
Tel : 080-26564259; Fax : 080-26565746
Email : investor.relationship@canfinhomes.com
Web: www.canfinhomes.com

Statutory Auditors

M/s Varma & Varma
424, 4th C Main
6th Cross, OMBR Layout Banaswadi, Bengaluru 560043

Secretarial Auditors

M/s. S Kedarnath & Associates
004 Ojus Apartments, 4th Main Road Malleshwaram,
Bengaluru 560003

Principal Banker

Canara Bank

Other Bankers

- State Bank of India
- HDFC Bank Ltd.
- Federal Bank
- Bank of India
- Bank of Maharashtra
- Axis Bank
- Indian Bank
- Union Bank of India

Registrar & Transfer Agent

Canbank Computer Services Limited

Unit: Can Fin Homes Ltd.,
R&T Center, #218, JP ROYALE, 1st Floor, Sampige Road,
2nd Main, Near 14th Cross, Malleshwaram,
Bengaluru - 560003
Tel : 080-23469661, Email : canbankrta@ccsl.co.in
Website: www.ccsl.co.in
CIN : U85110KA1994PLC016174

Debenture Trustee

SBICAP Trustee Company Limited

Mistry Bhavan, 4th Floor, 122, Dinshaw Wachha Road
Churchgate, Mumbai 400020
Tel : 022-43025555, Fax : 022-43025500
Email : corporate@sbicaptrustee.com
Website : www.sbicaptrustee.com
CIN: U65991MH2005PLC158386

Corporate Identity Number

L85110KA1987PLC008699

Legal Entity Identifier(LEI) Number

335800EJ9Y3XDP5ZDH81

Senior Management Personnel

Key Managerial Personnel

Smt Shamila M
Smt Veena G Kamath
Shri Prashanth Joishy

Registered Office

Shri Ajay Kumar G Shettar, Head - Legal
Shri B M Sudhakar, Head - Credit
Shri Prashanth Shenoy, Head - Product & Strategy
Shri Prakash Shanbhogue, Head - Collections
Shri Sikhin Tanu Shaw, Head - IT
Shri H R Narendra, CRO
Smt Aarti Naik, Head - RBIA

Cluster Heads

Shri N Babu
Shri Arun Balamani
Shri Jagadeesha Acharya
Shri S P Srivastava
Shri Vinayak Rao
Shri P S Mallya
Shri A Uthaya Kumar
Shri K Srinivas
Shri Arun Kumar V
Shri R Madhu Kumar
Shri Girish Pai
Shri K S Kamath
Smt Ambika Pai
Shri Manoj K Badal

Listing of Equity Shares

National Stock Exchange of India Ltd.
(NSE Symbol: CANFINHOME)
Exchange Plaza, Plot No. C/1, G-Block,
Bandra Kurla Complex, Bandra (East), Mumbai 400051

BSE Limited
(BSE Scrip Code: 511196)
Floor 25, Phiroze Jeejeebhoy Towers, Dalal Street, Fort,
Mumbai 400001

Depository for equity shares

National Securities Depository Limited

Trade World, 'A' Wing, 4th Floor
Kamala Mills Compound Senapati Bapat Marg,
Lower Parel, Mumbai 400 013
Tel : 91 22 2499 4200 Fax : 91 22 2497 6351

Central Depository Services (India) Limited

Marathon Futurex, A WIng, 25th floor, N M Joshi Marg
Lower Parel (East), Mumbai 400013
Tel : 91 22 2302 3333 Fax : 91 22 2300 2335

Board of Directors

Shri Lingam Venkata Prabhakar
(DIN: 08110715)
Chairperson (Promoter Non-Executive)

Shri Girish Kousgi
(DIN: 08524205)
Managing Director & CEO

Shri Debashish Mukherjee
(DIN: 08193978)
Director (Promoter Non-Executive)

Shri G Naganathan
(DIN: 00423686)
Director (Independent Non-Executive)

Shri Shreekant M Bhandiwad^
(DIN: 08120906)
Dy. Managing Director (Promoter)

Dr. Yeluri Vijayanand
(DIN: 00594503)
Director (Independent Non-Executive)

Shri Satish Kumar Kalra
(DIN: 01952165)
Director (Independent Non-Executive)

Smt Shubhalakshmi Aamod Panse
(DIN: 02599310)
Director (Independent Non-Executive)

Shri Amitabh Chatterjee*
(DIN: 09219651)
Dy. Managing Director (Promoter)

Shri Ajai Kumar**
(DIN: 02446976)
Additional Director (Independent Non-Executive)

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^Tenure completed on April 27, 2021

*Appointed w.e.f July 15, 2021

**Appointed w.e.f July 31, 2021

Board Committees

Audit Committee

Shri G Naganathan – Chairperson
Dr. Yeluri Vijayanand – Member
Shri Debashish Mukherjee – Member
Smt Shubhalakshmi Panse- Member

Stakeholders Relationship Committee

Dr. Yeluri Vijayanand – Chairperson
Shri Girish Kousgi – Member
Shri G Naganathan – Member
Smt Shubhalakshmi Panse- Member

Corporate Social Responsibility Committee

Shri L V Prabhakar- Chairperson
Shri Girish Kousgi – Member
Shri G Naganathan – Member
Shri Shreekant M Bhandiwad – Member (upto 27–04–2021)
Shri Amitabh Chatterjee – Member (w.e.f. 15–07–2021)

Nomination Remuneration & HR Committee

Dr. Yeluri Vijayanand – Chairperson
Shri G Naganathan – Member
Shri Debashish Mukherjee – Member
Shri Satish Kumar Kalra- Member

Risk Management Committee

Shri Debashish Mukherjee – Chairperson
Shri Girish Kousgi – Member
Shri Amitabh Chatterjee – Memeber (w.e.f. 15–07–2021)
Shri Shreekant M Bhandiwad – Member
Smt Shubhalakshmi Panse- Member
Smt Shamila M – Member
Shri H R Narendra – Member
Shri Ajay Kumar Shettor – Memeber

Management Committee

Shri Girish Kousgi – Chairperson
Shri Debashish Mukherjee – Member
Shri Shreekant M Bhandiwad – Member (upto 27–04–2021)
Shri Amitabh Chatterjee – Member (w.e.f. 15–07–2021)
Smt Shubhalakshmi Panse- Member

IT Strategy Committee

Shri G Naganathan – Chairperson
Shri Girish Kousgi – Member
Shri Shreekant M Bhandiwad – Member (upto 27–04–2021)
Shri Amitabh Chatterjee – Member (w.e.f. 15–07–2021)
Smt Shamila M – Member
Shri B M Sudhakar- Member
Shri Sikhin Tanu Shaw – Member

34th Annual General Meeting

Wednesday, September 08, 2021 at 11:00 AM through Video-Conference

Deemed venue for meeting: Can Fin Homes Limited
Registered Office: No. 29/1, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004

Knowing
Can Fin Homes Limited

The achievements of Can Fin Homes are truly reflected by the number of lives that we have touched over the years. Since inception we have stayed motivated to help people realise their home ownership dreams.

Established in 1987, we have put our customers at the core of our housing finance business. Offering affordable loans, we primarily cater to low and middle-income groups – enabling them tackle their toughest challenges and tailoring solutions that meet the unique requirements of our customers.

We are one of India's leading housing finance companies, promoted by Canara Bank, our success and reputation as a sustainable housing finance company is influenced by our ability to uphold the highest standards of compliance, transparency, combined with a friendly, respectful and understanding approach towards our customers. Our superior offerings, strategic focus on digital and technological advancement, favourable profit margins and sustainable approach enables us to stay ahead of the market.

Focus

To promote home ownership across India, with a motto of friendship finance and good service.

Strategy

Faster growth with profitability supported by lower cost of funds with stable asset quality.

Service

To build on a customer-focused sustainable service model with the belief 'the more we care the more we grow'.

Trust

Do business fairly, work constructively with our regulators, and play our part in ensuring a resilient, efficient and safe financial system, thus earning the community's trust.

Invest

Focus on simplifying our process, thereby reduce cost to create the capacity to invest in better risk and compliance capabilities and provide better technology clubbed with digital experiences for customers.

Return

We aim to deliver returns and consistent dividend by focusing on both enhancing operating performance and new opportunities.

Driving Growth-Building Trust

₹22,105 crore

Loan book

1.70 Lakh

Live loan accounts

₹4,332 crore

Total loans disbursed during the year

887

Number of employees

0.61%

Net NPA percentage, in FY21 – one of the lowest in the industry

34

Years of enriching industry experience

From the MD's desk

Our results this year showcased the strength, agility and resilience of Can Fin Homes Limited, with an innate purpose that permeates across the organisation and a strategy that is delivering consistent growth.

Dear Shareholders,

As I reflect on FY21, I realize that the year will remain in our memories for varied reasons. COVID-19 and the subsequent lockdown presented unprecedented challenges in all aspects of our lives. In my message last year, I expressed confidence in Can Fin's ability to prosper in challenging circumstances, validating our commitment to deliver on our promises. That confidence was fully vindicated as our colleagues came together in the most difficult situations and in the most inspiring ways to ensure business continuity. On behalf of Can Fin Homes Limited, I would like to take this opportunity to express my sincere appreciation for our dedicated employees for their unwavering efforts to take care of our stakeholders' interests in the year gone by.

Impact of COVID-19

COVID-19 has been a catastrophe of epic proportions which has resulted in loss of many precious human lives. It has unsettled the entire human race and people are still dealing with the adverse consequences. However, history has always shown that the human spirit is capable of overcoming adversity. Therefore, as countries, cities, economies, markets are opening up, people are adapting to the 'new normal' and there is an air of optimism that "this too shall pass"

Over the years, the reputation of Can Fin Homes' as a reliable and trustworthy company has continued to improve. 2021 is the 34th anniversary of our extraordinary journey, and we have won many awards in the process. Despite being an extraordinarily challenging year for most of us, personally and professionally, I take pride in saying that we have delivered an outstanding performance and continued our journey of being a customer focused housing finance partner. Our results this year showcased the strength, agility and resilience of Can Fin Homes Limited, with an innate purpose that permeates across the organisation and a strategy that delivers consistent growth.

Promoting home ownership and increasing the number of proud and satisfied home owners across the nation has been our core operating philosophy. Staying true to this vision, we worked together to adapt and deal with the unprecedented, changes and challenges created by the pandemic. Throughout this tough period, we were always there for our customers – servicing their needs as a trusted housing finance partner. This, in turn, led to a commendable performance during the year.

Robust performance

As a part of the housing finance industry, our business is directly linked with the performance of the economy and the real estate sector. The government's growing impetus for affordable housing through schemes such as Housing for All, Pradhan Mantri Awas Yojana-Credit Linked Subsidy Scheme and Smart city initiatives are fuelling home ownership dreams of the common man. The schemes are

aimed at empowering the urban poor, primarily the Low-Income Group (LIG), Economically Weaker Section (EWS) and the Middle-Income Group (MIG I & II) to fulfil their home ownership dreams. These initiatives have helped the housing finance industry and the real estate industry to record a better performance during the year.

With the outbreak of COVID-19 and the subsequent lockdown, the Indian real estate industry was severely disrupted in the first half of FY 21. As the pandemic progressed, the government's focus shifted towards the development of healthcare infrastructure in the country to cope with an unprecedented medical emergency that continued to affect a large number of people. With economic uncertainty and rising unemployment, the demand for housing dropped in first half of the year.

In the face of this monumental crisis, the real estate sector displayed remarkable flexibility. As soon as the unlocking process was initiated by the government in the third quarter of 2020, the industry showcased promising signs of revival. Further thrust to the industry was provided by the decisive and positive policy measures adopted by the government/regulators. Record low home loan interest rates, coupled with income tax incentives and concessional stamp duty rates, led to the rise in the demand for affordable housing – especially for first-time homeowners. Also, developers willing to close deals quickly played a key role in encouraging home buyers to finalise sales within shorter periods. A confluence of all these factors together with pent up demand aided the sharp recovery seen in housing in the second half of FY20.

Despite these challenges, we recorded a stable topline and growth in bottom-line, in the last two quarters of FY21. In FY21, our new loan approvals stood at ₹4,631 crore and disbursements at ₹4,332 crore. We closed FY21 with a loan book of ₹22,105 crore, an increase of 7% from the previous year. Our PAT improved by 22% to ₹456 crore from ₹374 crore. The Net Interest Income (NII) increased by 18% to ₹798 crore as against ₹675 crore in FY20 and revenue stood at ₹ 2018 crore as against ₹2,030 crore. NIM rose from 3.52% to 3.88%. The ROE and RoAA stood at 17.47% and 2.18% respectively. In FY21, the cost to income ratio decreased to 15.33% from 15.68%. The Capital Adequacy Ratio for FY21 stood at 25.46% against 22.26% in FY20.

Focusing on our four strategic pillars – Growth, Asset Quality, Profitability and Liquidity, we continued to follow prudent lending practices. This enabled us to report one of the lowest NPA levels in the industry. Our gross and net NPA in FY21 stood at 0.91% and 0.61% respectively, emphasising the Company's constant focus on asset quality.

In FY21, we continued to empower the nation's working middle class to realise their homeownership dreams. 73% of our outstanding loan book, as on 31st March 2021, constituted salaried customers and professionals. 90% of our loan book was under housing loan segment while 87% of our incremental disbursals were for housing loans.

I am proud of the way our people have managed a challenging situation. Their ability to take need based decisions enabled us to keep the business running amidst the hurdles posed by the pandemic. Business continuity was tested. Our employees rose to the challenge and continued to perform while observing COVID appropriate behaviour. It helped us to weather the storm and emerge stronger than before.

On account of the economic slowdown and sluggishness in the housing sector due to the Pandemic, our business was affected in the first two quarters, during which, our employees rallied around, remained in touch with the customers, attended to their request requirements and contacted all customers for moratorium related information, even during the period of remote working. We could thus seamlessly continue work in the post lock down phase too.

Inspite of our moratorium percentage being high compared to industry standards, we were able to manage better collection efficiency through constant interaction with our customers, which eventually resulted in lower NPAs.

Working IT procedures were made more flexible and agile to facilitate the employees and enabled them to adapt to the 'new normal' in the Covid scenario.

We also endeavour to improve our capabilities to support our customers through digital initiatives. With a focus on value added services, we are consistently upgrading our service portfolio and customising offerings that lend a new dimension to customer experience.

At CanFin, we continue to embrace change and are adapting to the 'new normal' confidently. I am pleased to say, we are increasingly focusing on exploring newer and bigger opportunities that would probably seem impossible a few years ago. I continue to look ahead with renewed hope as we maintain our credo of friendship finance and be a reliable housing finance partner for people from all sections of society.

I would also take this opportunity to thank our stakeholders, shareholders, regulators and Canara bank for their continued support and faith in our abilities. Today, we look ahead with great enthusiasm and optimism as we depend on our core strengths to ensure long term progress and sustained value creation in the days to come.

Regards

Girish Kousgi
MD and CEO

The Year
at a Glance

Celebrating ₹ 22,000 Crore milestone

THE ECONOMIC TIMES
ASIAN BUSINESS LEADERS CONCLAVE 2020
9th Edition

Leaders building ASIA BACK BETTER

A CONSUMER CONNECT INITIATIVE • CIRCULATED WITH THE ECONOMIC TIMES, ALL INDIA • FRIDAY, MARCH 26, 2021

"Covid has driven home the importance of digitalization and automation"

Girish Kousgi, *MD & CEO, Can Fin Homes Ltd.*

The scourge of Covid-19 Pandemic has widespread ramifications since it has impacted lives, businesses, livelihoods, careers, education and economies, world-wide.

In the last one year, there have been changes in the style of functioning of diverse business entities.

First and foremost, it is seen that the hitherto unimaginable concept of work from home has become a ground reality. In the IT sector, this system has gained a ground of almost 100 percent, whereas in the financial sphere, the concept is being enforced conservatively. In the foreseeable future, working from office may become a rarity.

Covid-19 has driven home the importance of digitalization and automation in times of crisis and uncertainty. Therefore, companies are giving more thrust to these twin areas for sustenance and growth of business. The profile mix, product mix and business model will change depending on the risk and segment of sourcing.

Emphasis will be on improving liquidity. Funding by NBFC and HFCs will be based on safe assessment. Lending on the basis of verifiable declared income is likely to take precedence.

Industry challenges

Currently, the biggest business challenge faced by all organizations is to overcome the deficiencies caused due to Covid and to stay afloat, ensure survival and strive to get the portfolio back in order.

The flipside is that interest rates and property prices have bottomed down, on account of which affordability has increased, which is sure to benefit many. The impetus given to housing by the Government will increase the demand for housing and will increase the mortgage portfolio.

ET Asian Business Leaders

CREDAI Expo

International Women's Day Celebration @ Office

Vaccination Drive – For one and all

MD addressing Channel Partners

The Year at a Glance

Channel Partners meet in Progress

MOST WANTED STOCKS 2020

The markets have been very volatile this year, and funds were pickier than usual. ET Wealth examined their portfolios to see which stocks they were bullish on

STOCKS THAT FUNDS ARE BETTING ON

How the most wanted stocks were identified

Least affected by Covid and poised for growth

MF holding as % of total share capital

Analyst recommendations

Funds with largest % AUM in Can Fin Homes

Can Fin Homes and BSE 500

Corporate
Social Responsibility (CSR)

Handing over advanced medical equipment – Laryngoscope

Medicare on Wheels

Fighting Covid – Oxygen support for COVID patients

SOS Childrens Village Child Care Education Support

Facilitating Digital Learning – Tab distribution

Committed to excel

Embracing Change
Digital Transformation

2020 compelled us to adopt new ways of working. In a dynamic and rapidly evolving business environment, it is essential to remain relevant. To attune ourselves to the 'new normal', we are proactively enhancing our digital presence and making strategic investments in our digital infrastructure making it agile, innovative & efficient to drive our digital transformation journey.

Why is this relevant today?

ONE

Concerns about COVID-19 still loom large, forcing people to stay at home and conduct operations remotely.

TWO

Restrictions on movement continue to affect business in different parts of the country.

THREE

The convenience and ease of doing business through digital platforms has made it imperative for us to embrace digital transformations.

FOUR

India's internet penetration is rising at an exponential rate.

FIVE

The government's vision of 'Digital India' is facilitating rapid adoption of digital channels across the country.

How this could benefit Can Fin Homes Limited?

Our digital capabilities are likely to make us more relevant in the days ahead. We intend to deliver personalised services for varied customers by leveraging advanced digital tools and technologies. It would also enable us to reach more customers, across the length and breadth of the country, making our services more appealing for the millennial population of India, who continue to rely on digital platforms for different types of services.

It is also anticipated to enhance our efficiency, enable smarter work and aid prudent allocation of resources. Digital transformations are also expected to open new opportunities for strengthening the core business, reduce cost and deliver excellent customer service.

Our focus on transforming the business and investing in digital initiatives have enabled us to respond effectively to the accelerating shift towards digital channels, primarily brought about by the COVID-19. It has not only allowed us to tide through crisis unharmed but, has also ensured business continuity despite difficulties.

The key focus areas of our digital transformation

Enhancing our reach

Focus on personalised and seamless service across different channels.

Integrated digital experience

Emphasis on creating a digital financial services bouquet in collaboration with some of the nations leading technological support providers, thereby facilitating rapid revenue growth.

End-to-end Digitization

Automation and digitisation of processes to make things simpler, faster and user-friendly for our customers and people.

Secure digital experience

Build robust and secure digital capabilities across platforms to prevent frauds and ensure customer data protection.

Delivering on our commitment

THROUGH OUR GROWTH ORIENTED BUSINESS MODEL

We are driven by

Our vision

We aim to supplement the 'Housing for All' mission mooted by the government by providing affordable housing loans to a large section of the Indian population – lower income and middle-income groups in particular.

We are led by

Our unique market position

We operate in a highly competitive market, affected by regulatory challenges. With our distinctive business propositions, customer centric approach and focused attention on specific segments and geographies, we are uniquely positioned to grow and succeed.

Our experienced management team

Driven by the clear vision of an experienced and versatile management, the Company has emerged as a leading housing finance company.

We are aided by

Focused government initiatives

Over the years, the government announced different initiatives such as 'Housing for All', 'Smart cities', 'PMAY Credit-Linked Subsidy Scheme (CLSS)' and income tax benefits that have helped the steady growth of home ownership in India and is likely to add impetus to the nation's affordable housing segment.

Our resources and relationships

- Since inception, we focused on creating a strong brand reputation. Today, we are regarded as a reliable housing finance partner.
- We have created a strong, well-funded and diversified balance sheet to fund growth strategies.
- Our Pan-India presence with a keen focus on penetrating regions that have limited banking infrastructure.
- Ensuring stronger relationships with diverse customers.
- Steadily developed our portfolio across the housing loan and non-housing loan segments to cater to a wide range of customers.
- Focused on developing the skills and expertise of our people.

Our operating culture

We have heralded a customer-centric operational model that aims to build credibility by delivering the best combination of products, in the home loan and non-home loan segments, and offer affordable lending rates.

Our distinctive strengths

Our inherent strengths enable us to excel as a dynamic, customer-focused housing finance partner.

Business growth

We are constantly striving to build on our capabilities to capitalise on emerging opportunities and address growing demand in housing finance

₹2,199 crore

Loan book size in FY11

₹10,643 crore

Loan book size in FY16

₹22,105 crore

Loan book size in FY21

Customer connect

We are deeply committed to building long-term relationships with customers. We have diversified our offerings, enabling us to serve a wider customer base.

1.00 lakh

Customer count in FY11

2.75 lakh

Customer count in FY16

4.80 lakh

Customer count in FY21

Growing pan-India presence

We have constantly increased our presence across India by opening new branches, year after year, to emerge as the nation's most preferred and trusted home loan provider. We have also worked closely with our customers to fulfil their home ownership dreams.

41

Branch count in FY11

140

Branch count in FY16

200

Branch count in FY21

Robust balance sheet

Over the years, our exceptional track record has strengthened our footing in the housing finance segment. Our crystallised underwriting standards, efficient appraisal norms and stringent risk monitoring mechanisms have helped us maintain industry leading asset quality, lowest NPA levels and one of the lowest costs to income ratio among Indian HFCs.

22.28

Cost to income FY11

18.67

Cost to income FY16

15.33

Cost to income FY21

Diverse loan book

Leveraging our growing market presence and strong brand recall, we serve customers to meet their multiple finance needs. Our loan book now comprises 90% of housing and 10% of non-housing loans.

₹10 lakh

Average housing loan ticket size in FY11

₹17 lakh

Average housing loan ticket size in FY16

₹20 lakh

Average housing loan ticket size in FY21

Delivering on our commitment

THROUGH OUR GROWTH ORIENTED BUSINESS MODEL

Our Vision

We are set apart by our strengths which are defined by our **business model:**

Reach
We have 200 branches across India with a focus on Tier II & III cities

Customer Service
Following the glorious tradition of treating the 'Customer as King', both in letter and spirit

Asset Quality
Continued focus on customer selection, prudent underwriting, effective collection, close monitoring and recovery

Technology
Strengthening IT Infrastructure for technical advancement in alignment with futuristic trends

Liquidity
Continued focus on adequate inflow of cost effective funds

Profitability
Concentration on segments and geographies fetching better yield

Deliver a range of credit products and services

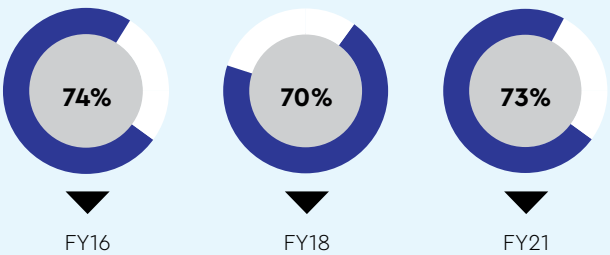
11
Housing loan

12
Non-housing loan

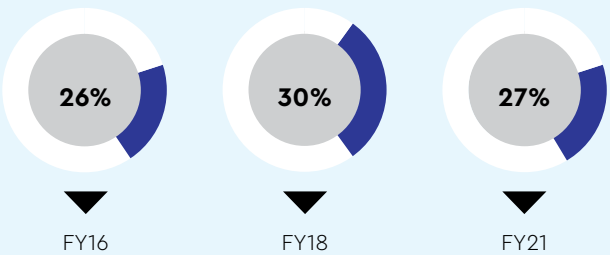
01
Top-up facilities

Our customer profile

Salaried employee



Other



We have created a comprehensive portfolio and an enviable track record to build The Can Fin Homes Limited of today.

Key strategies that drive our business model

01

Build a strong loan profile with a keen focus on the retail salaried and professional segment. Steadily grow our non-housing and top-up loan segment in the overall loan book.

02

Our geographical presence in Tier II & Tier III Cities enables harmoniously balancing both Customer and Stakeholders' aspirations by making home loans affordable.

03

Focus on delivering long-term value for shareholders by meeting the expectations of our customers and the community.

04

Focus on maintaining operating and capital discipline. We deploy capital in a disciplined manner and clearly prioritise investments.

Positive outcome of our business model

Customers

Provide exciting and innovative housing loan solutions to our customers to achieve their dream.

₹4,631 crore

Total Sanctions

₹4,150 crore

Fresh housing loan sanctioned in FY21

₹481 crore

Fresh non-housing loan sanctioned in FY21

Shareholders

We have a long history of creating value for shareholders.

100%

Dividend declared for last five years

₹133.15 crore

Cumulative dividend provided to shareholders in the last five years

Employees

By focusing on the engagement and development of our people, we provide long and rewarding careers for our talented and diverse workforce.

₹5 crore

Cumulative investment in various employee development initiatives in the last five years

Society

Can Fin Homes Ltd. contributed **₹4 crore** to Prime Minister's Citizen Assistance & Relief in Emergency Situations Fund (PM CARES) and **₹1 crore** to Karnataka State Disaster Management Authority COVID-19.

Operational and Financial Highlights

I – Statistics on Business

Sl No	Parameters	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–2021
1	Loan Approvals (₹ in Crore)	3,670	4,418	5,451	5,760	5,952	5,897	4,631
2	Loan disbursements (₹ in Crore)	3,346	3,923	4,792	5,207	5,479	5,481	4,332
3	Total Loan outstanding (₹ in Crore)	8,231	10,643	13,313	15,743	18,381	20,706	22,105
4	Out of 3 above,							
	i. Housing Loans (₹ in Crore)	7,325.49	9,381.32	11,783.59	14,089.08	16,442.98	18,676.95	19,992.70
	ii. Non Housing Loans (₹ in Crore)	905.80	1,261.81	1,529.47	1,653.91	1,938.98	2,028.65	2,112.15
5	Borrowings (₹ in Crore)	7,374.51	9,443.96	11,871.95	16,694.44	16,880.09	18,748.44	19,292.90
6	NPA							
	i. Gross NPA (₹ in Crore)	14.35	19.76	27.91	67.49	113.51	157.13	201.91
	ii. Gross NPA %	0.17%	0.19%	0.21%	0.43%	0.62%	0.76%	0.91%
	iii. Net NPA %	NIL	NIL	NIL	0.20%	0.43%	0.54%	0.61%
7	Average Assets (₹ in Crore)							
	i. Housing loan	6,261.20	8,213.96	10,496.27	12,839.20	15,188.30	17,568.90	18,742.06
	ii. Non Housing loan	708.62	1,063.91	1,387.61	1,554.97	1,662.82	1,918.53	2,137.54
	iii. Investments	20.18	24.36	32.46	39.79	35.07	46.60	80.37
	iv. Securitised Assets	–	–	–	–	–	–	
	Total Average Assets (₹ in Crore)	6,990.00	9,302.23	11,916.34	14,433.96	16,886.19	19,534.03	20,959.97
8	Average Borrowings (₹ in Crore)	6,388.39	8,401.58	10,588.06	12,714.23	14,807.89	17,267.97	18,962.43
9	No. of Branches / Offices							
	i. Branches	107	110	134	153	175	186	186
	ii. Satellite Offices	10	30	36	20	14	14	14
	Total No. of Branches / Offices	117	140	170	173	189	200	200
10	No. of Employees	491	553	626	648	792	838	887

II – Statistics on Income & Expenditure

Sl No	Parameters	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21
11	Interest Collected (₹ in Crore)							
	i. Housing Loan	690.76	896.10	1,111.31	1,277.03	1,482.89	1,766.50	1,768.39
	ii. Non Housing Loan	95.76	146.67	192.61	211.40	214.59	229.25	216.38
	iii. Investment	1.37	1.64	2.15	2.14	2.26	3.32	4.70
	Total Interest Collected (₹ in Crore)	787.89	1,044.41	1,306.08	1,490.58	1,699.74	1,999.07	1,989.47
12	Processing Charges (₹ in Crore)	28.41	38.52	45.99	27.07	26.42	29.10	26.30
13	Other Income (₹ in Crore)	0.73	0.61	1.06	4.34	5.19	2.28	2.66
14	Total Income (₹ in Crore)	817.03	1,083.54	1,353.12	1,521.98	1,731.35	2,030.45	2,018.43
15	Interest Paid (₹ in Crore)	610.29	743.48	884.03	981.02	1,169.27	1,344.21	1,208.33
16	Net Interest Income (NII) (₹ in Crore)	177.60	300.93	422.05	509.55	530.47	674.70	798.04
17	Staff Cost (₹ in Crore)	24.75	33.06	39.36	44.82	41.40	56.57	69.98
18	Other Expenses (₹ in Crore)							
	i. Establishment	8.38	9.77	12.32	12.49	14.29	3.46	3.47
	ii. DSA Payout	7.56	7.78	9.91	9.16	10.36	11.74	11.43
	iii. Professional fees – Information Technology	2.39	2.78	2.99	3.29	3.55	1.98	2.97
	iv. Others incl CSR	6.13	6.66	11.55	14.93	18.91	24.42	26.57
19	Depreciation (₹ in Crore)	3.73	3.46	3.73	3.09	2.97	9.47	9.57
20	Bad Debts written off (₹ in Crore)	2.10	3.29	0.85	–	–	–	–
21	Operating Cost (₹ in Crore)	52.94	63.50	79.86	87.77	91.47	107.64	123.99
22	Total Cost (₹ in Crore)	665.33	810.27	964.74	1,068.80	1,260.74	1,451.85	1,332.32
23	Operating Profit (₹ in Crore)	151.70	273.27	388.38	453.19	470.60	578.60	686.11

Sl No	Parameters	2014–15	2015–16	2016–17	2017–18	2018–19	2019–20	2020–21
24	Provisions & Taxes (₹ in Crore)							
	i. Standard Assets	12.00	14.00	10.65	2.10	0.40	44.46	46.26
	ii. Non Performing Assets	2.25	5.41	8.15	20.00	0.69	15.85	22.27
	iii. Income Tax	43.23	80.00	115.13	157.41	173.55	150.19	173.07
	iv. Deferred Tax Liability/(Asset)	7.98	16.75	19.78	-12.52	-0.79	-8.02	-11.55
	v. Prior Period Adjustment	0.00	0.00	-0.59	0.00	0.00	0.00	0.00
	vi. Other Comprehensive Income (₹ in Crore)	0.00	0.00	0.00	0.42	0.03	-1.71	-0.03
25	Net Profit (₹ in Crore)	86.24	157.11	235.26	286.62	296.77	374.41	456.03
26	Share Capital (₹ in Crore)	26.62	26.62	26.62	26.63	26.63	26.63	26.63
27	Reserves (₹ in Crore)	744.87	851.42	1,049.68	1,460.35	1,755.55	2,123.44	2,583.17
28	Deferred Tax Liability DTL /(Assets DTA) (₹ in Crore)	21.61	56.87	113.65	-23.24	-24.01	-33.89	-45.45
29	Shareholder's Funds – Tier I (₹ in Crore)	771.49	878.04	1,076.30	1,486.98	1,782.18	2,150.07	2,609.81
30	Number of Shares (in Crore)	2.66	2.66	2.66	13.32	13.32	13.32	13.32
	Tier II Capital (₹ in Crore)							
31	- SA Provision	38.00	52.00	62.65	64.75	65.15	109.61	155.87
	- Tier II Bonds	100.00	100.00	100.00	100.00	100.00	100.00	100.00
	Total Tier II Capital (₹ in Crore)	138.00	152.00	162.65	164.75	165.15	209.61	255.87
32	Dividend							
	i. Percentage	70	100	100	100	100	100	100
	ii. Amount (₹ in Crore)	18.64	26.63	26.63	26.63	26.63	26.63	26.63
	iii. Payout Ratio excl tax %	21.61%	16.95%	11.32%	9.29%	8.97%	7.11%	5.84%
	iv. Dividend yield %	1.15%	0.87%	0.47%	0.41%	0.57%	0.72%	0.33%
33	Book Value (BV) (FV of share ₹ 2)	290.03	329.84	404.32	111.72	133.84	161.47	196.00
34	Earnings Per Share (EPS)(₹)	32.42	59.02	88.38	21.53	22.29	28.25	34.25
35	Return on Equity (ROE) %	17.75%	19.05%	24.08%	22.36%	18.16%	17.44%	17.47%
36	Return on Average Asset (ROA) %	1.23%	1.69%	1.97%	2.09%	2.09%	1.93%	2.18%
37	Closing Stock Price (CMP/NSE) (H)	607.40	1,154.35	2,121.45	484.50	348.85	279.05	613.75
38	Market Cap (MC) (₹ in Crore)	1,615.68	3,070.57	5,643.06	6,451.32	4,645.08	3,715.67	8,172.33
39	CMP/ Earnings (P/E Ratio)	18.73	19.56	24.00	22.50	15.65	9.88	17.92
40	CMP/ Book Value (P/B Ratio)	2.09	3.50	5.25	4.34	2.61	1.73	3.13
41	Risk Weighted Assets (₹ in Crore)	4,945.71	4,979.64	6,521.71	7,751.27	9,180.41	10,509.02	11,029.84
42	Capital Adequacy Ratio (CAR)	18.39%	20.69%	18.50%	19.08%	16.44%	22.26%	25.46%
43	Net Interest Margin (NIM)							
	a) Conventional	2.54%	3.24%	3.54%	3.53%	3.14%	3.45%	3.81%
	b) Including PC	2.95%	3.65%	3.93%	3.71%	3.29%	3.52%	3.88%
44	Cost to Income Ratio	25.61%	18.67%	17.02%	16.23%	16.30%	15.68%	15.33%
45	Average Business Per Branch (₹ in Crore)	67.15	86.71	97.88	106.58	111.86	105.06	112.74
46	Average Business Per Employee (BPE) (₹ in Crore)	15.90	18.52	20.68	23.92	25.99	25.07	25.42
47	Average Yield on Assets	11.27%	11.24%	10.96%	10.33%	10.06%	10.23%	9.49%
48	Average Cost of Borrowings	9.55%	8.75%	8.35%	7.70%	7.90%	7.78%	6.71%
49	Interest Spread	1.72%	2.49%	2.61%	2.63%	2.16%	2.45%	2.78%
50	Gearing Ratio	9.57	10.76	11.03	9.36	9.47	8.72	7.39

Notes:

1. SL no. 32 for FY 2020–21 is subject to approval of members at the AGM to be held on September 08, 2021.
2. SL no. 30, 37 and 39 -Equity shares of ₹ 10 were subdivided into equity shares of ₹2 each w.e.f October 13, 2017.
3. SL no. 27, 29 and 33 is without considering the appropriations for Dividend and Dividend Tax.
4. Sl No. 42 for FY 2018–19 – CAR is after considering the Dividend cost in the Net owned funds. Further, CAR for 18–19 has reduced due to Term deposit amounting to ₹257 crore(matured on April 10, 2019) held with Canara Bank and the same is reduced in the computation of Net Owned funds. The CAR without considering the aforesaid term deposit would have been 19.24%.
5. SL no.24(i) and 31 Standard Asset provision includes general provision made as per RBI regulatory package for FY 2019–20 and FY 2020–21.

Board of Directors

Shri Lingam Venkata Prabhakar
Chairman (Promoter)
Managing Director & CEO, Canara Bank

Shri Girish Kousgi
Managing Director & CEO

Shri Debashish Mukherjee
Director (Promoter)

Shri G Naganathan
Director (Independent)

Shri Shreekant M Bhandiwad
Deputy Managing Director
(upto April 27, 2021)

Dr. Yeluri Vijayanand
Director (Independent)

Shri Satish Kumar Kalra
Director (Independent)

Smt Shubhalakshmi Aamod Panse
Director (Independent)

Amitabh Chatterjee
Deputy Managing Director
(w.e.f. July 15, 2021)

Ajai Kumar
Additional Director
(Independent)
(w.e.f. July 31, 2021)

Profile of Board of Directors

Shri Lingam Venkata Prabhakar

Chairman (Promoter)
Managing Director & CEO,
Canara Bank

Shri L V Prabhakar was appointed as an Additional Director (Non-executive Promoter) w.e.f July 30, 2020 on the Board of the Company and he has been appointed by the members as a Director at the 33rd Annual General Meeting held on August 26, 2020. He is a Promoter and Non- Executive Director of the Company.

Shri L V Prabhakar holds a Master's Degree in Agriculture and a Certified Associate of Indian Institute of Bankers (CAIIB).

Shri L V Prabhakar is currently serving as the Managing Director & Chief Executive Officer of Canara Bank. He has over 34 years of rich experience in banking, spread across a spectrum of domains. He is the Chairman of Canara Robeco Asset Management Co. Ltd. Canara HSBC OBC Insurance Company Ltd & CanFin Homes Ltd. He is the Chairman of IBA Standing Committee on Payment Systems & Banking Technology. He is the Vice President of the Governing Council of Indian Institute of Banking & Finance (IIBF) & Director in National Institute of Banking Management (NIBM).

Prior to joining Canara Bank, Shri L V Prabhakar worked as the Executive Director of Punjab National Bank. He handled various verticals of the Bank viz., Credit, Treasury and Human Resources. He was also instrumental in strengthening systems and procedures by taking initiatives such as Stressed Assets Management Vertical. Digitization of Trade Finance. He has also served on the Boards of PNB Metlife India Insurance, PNB Housing Finance Limited and Everest Bank Ltd. Nepal.

Shri Girish Kousgi

Managing Director & CEO

Shri Girish Kousgi has been appointed as the Managing Director & CEO of Company w.e.f September 05, 2019. He is appointed for a tenure of five years subject to further extension of tenure as per his terms of appointment.

Shri Girish Kousgi is a graduate in Commerce (B.Com.) and Post graduate in Business Administration (MBA). Shri Girish Kousgi is a Banking professional with 25+ years of experience. He has an extensive experience of managing assets and liabilities and has gained expertise in mortgage, retail lending, SME and Agri business.

During his career so far, he has worked in HDFC Ltd., ICICI Bank, IDFC Bank and Tata Capital. He has dealt with a variety of loan products like home loans, business loans, LAP, personal loans, mortgages, deposits, retail and rural products, etc. and gained wide experience in handling sales, product, credit underwriting, risk and operations.

He has significant experience of retail banking for over 17 years in Bengaluru, Hyderabad and Kerala apart from an experience of about 11 years in credit risk including risk-based verification strategies for loan products, measure credit expansion opportunities in the lending market and validate and implement credit risk models.

Shri Debashish Mukherjee

Director (Promoter)

Shri Debashish Mukherjee was appointed as an Additional Director (Non-executive Promoter) w.e.f March 12, 2019 on the Board of the Company and he has been appointed by the members as a Director at the 32nd Annual General Meeting held on July 17, 2019. He is a Promoter and Non-Executive Director of the Company.

Shri Mukherjee is a post graduate in Business Administration (MBA – Finance) from the University of Kolkata. He started his career with Punjab National Bank as a Financial Analyst in scale II in 1994. He joined United Bank of India as an Asst. General Manager (Credit) in the year 2006. He worked in various capacities at Regional Offices, headed Corporate Finance Branch at Kolkata and was Regional Manager of Bihar Region. He has vast experience in Corporate Credit, Credit Monitoring and Recovery. He is an avid reader and has travelled extensively.

Shri Debashish Mukherjee has taken charge as Executive Director of Canara Bank on February 19, 2018. He is overseeing the functions of Risk Management (including Capital planning), Financial Management and subsidiaries, MSME, Credit Administration & Monitoring, stressed Assets Management and Recovery, Inspection, Treasury, International Operations & Corporate Customer Relations. He is currently a member on the Boards of two listed entities viz., Can Fin Homes limited and Canara Bank is also a member on the Boards of the subsidiaries and/or Joint venture Companies viz., Canara Robeco Asset Management Company, Canara HSBC OBC Life Insurance Company, Canara Bank Securities Limited, Canbank Venture Capital Ltd. and a non- profit organization viz., Higher Education Financing Agency.

Shri G Naganathan

Director (Independent)

The Board of Directors have appointed Shri G Naganathan, FCA, as a director of the Company on September 07, 2016. He has been re-appointed as an Independent Director for a further tenure of 3 years at the 32nd Annual

General Meeting held on July 17, 2019. He is an Independent Non-Executive Director of the Company.

Shri G Naganathan is a rank holder in Chartered Accountancy and Cost Accountancy. He has completed the Diploma in Information Systems Audit, Courses in Certified Information Systems Auditor and also Valuation Certificate. Presently, he is a Partner in M/s. MSKC & Associates, Chartered Accountants. He has put in a practice of 37 years in M/s. MSKC & Associates, Chartered Accountants. His areas of practice and expertise include statutory and related attestation services, consultancy in direct taxes and FEMA and management advisory services.

Shri G Naganathan is involved in the audit of banking and Insurance companies, representation before various adjudicating authorities for the last three decades. He also has been involved in monitoring of large sick companies on behalf of consortium of banks.

Shri Shreekant M Bhandiwad

Deputy Managing Director

Shri Shreekant M Bhandiwad has been appointed as the Deputy Managing Director of Can Fin Homes Ltd. w.e.f. April 28, 2018. He was re-appointed as the Deputy Managing Director of the Company at the 32nd Annual General Meeting of the Company held on July 17, 2019.

He is a Post Graduate in Agricultural Science viz., M.Sc.(Agri) and a CAIIB. Shri Shreekant Mohanrao Bhandiwad started his career as an Officer in Canara Bank in the year 1994. During his service in the Bank he has headed different branches, Circle Offices and various departments at the Circle and Corporate level. Shri Bhandiwad is a senior banker with 26 years of commercial banking experience having served across the States of Haryana, Rajasthan and Karnataka.

Before his posting to the Company, he was heading the Rajasthan operations of Canara Bank as Head of Jaipur Circle of the Bank. Prior to this, he had worked in Jaipur Regional Office, Bengaluru Cantonment and Yediyur Branches. He had also worked in Bengaluru Langford Town, Davanagere Regional Office and also in Head Office, Bengaluru. Apart from his successful tenure in various places as above, Shri Bhandiwad carries with him, considerable experience in the Managing Director's Secretariat of the Bank.

His tenure in the Company ended on April 27, 2021.

Dr. Yeluri Vijayanand

Director (Independent)

Dr. Yeluri Vijayanand was appointed as an Additional Director (Non-executive independent) on the Board of the Company w.e.f. August 29, 2018. He was appointed by the members as an Independent Director at the 32nd Annual General Meeting held on July 17, 2019. He is an Independent and Non-Executive Director of the Company. The proposal for his re-appointment in the Company will be placed in the ensuing AGM.

Dr. Yeluri Vijayanand is PhD in Economics (2011) from University of Mysore, M.A in Economics (1967) from Bangalore University, Bachelor of Laws (1969) from Bangalore University and CAIIB (1978) from Indian Institute of Bankers. Dr Vijayanand retired from State Bank of India as Deputy Managing Director on August 31, 2007 after serving for more than 37 years. As DMD and Group Executive of Associates and Subsidiaries, he was the nominee director of SBI in all Associate Banks, and non-banking subsidiaries, as also in ARCIL, Thomas Cook India, and CIBIL. He was also on the boards of three overseas subsidiaries/joint ventures of SBI. The other prominent positions held by him were Managing Director of State Bank of Mysore, President and COO of SBICAP, Chief General Manager, Corporate Accounts Group, General Manager (Commercial), Chennai and Vice President, SBI New York. Post retirement from SBI, he worked as a Corporate Advisor in Nagarjuna Fertilizers and Chemicals Limited, Hyderabad for nine years. He was a non-executive director in three group companies. He was also an independent director in SBI Global Factors Limited, and Caparo Financial Solutions Limited.

He is a visiting faculty at State Bank Staff College and Academy, JNIDB, Institute of Public Enterprise, NALSAR - IIRM, BITS Pilani – Hyderabad Campus, Osmania University, Bangalore University and University of Mysore. He was awarded a PHD Economics by the University of Mysore in 2011 for his thesis on 'Impact of Banking Regulations on Indian Commercial Banks: A study of current and emerging issues'. He also contributed articles to academic and professional journals, and took part in several conferences and seminars.

Shri Satish Kumar Kalra

Director (Independent)

Shri Satish Kumar Kalra has been appointed as an Additional Director (Non- executive independent) on the Board of the Company w.e.f. June 15, 2020 and he has been appointed by the members as an Independent Director at the 33rd Annual General Meeting held on August 26, 2020.

Shri Satish Kumar Kalra is a Post Graduate in Science (M.Sc.), a CAIIB and PGDM in Finance.

Shri Satish Kumar Kalra has been a Member on Advisory Board for Banking and Financial Frauds since March 2020. He has served as the Managing Director & CEO (Additional-charge) in Andhra Bank for 6 months (he was the Whole Time Director/ Executive Director in Andhra Bank from Oct 2012 to Aug 2017). He was General Manager (Treasury) in Allahabad Bank. He was a Director on Board on India First Life Insurance Company Limited.

Presently, he is on the Boards of PNB GILTS.

Shri Satish Kumar Kalra has provided strategic guidance to the Bank in Key areas of NPA, Credit, International Banking Treasury Management, HR, etc. He has a vide experience in the

areas of Treasury Management, Risk management, Corporate Planning, Inspection & Audit, Merchant Banking, Board Secretariat, Credit Monitoring & Review, Recovery Management and Legal, Retail & MSME lending. He has an experience of about 38 years in the banking industry.

He has attended CAFRAL Training Programme at USA Washington and New York. Also attended SIBOS Program at Dubai and training for EDs at Kozhikode.

Smt Shubhalakshmi Aamod Panse

Director (Independent)

Smt Shubhalakshmi Aamod Panse has been appointed as an Additional Director (Non-executive independent) on the Board of the Company w.e.f. June 15, 2020 and she has been appointed by the members as an Independent Director at the 33rd Annual General Meeting held on August 26, 2020.

Smt Shubhalakshmi Panse, is a Post Graduate in Science (M.Sc.), Diploma in Business Management (DBM), Masters in Management Sciences with Specialization in Financial Management (MMS), Masters in Business Administration with specialization in Bank Management (USA) and CAIIB.

Smt Shubhalakshmi Panse has been a Member of External Advisory Committee set up by RBI for vetting the applications received for setting up Payment Banks. She was a member of P J Nayak Committee set up by the Government of India for Corporate Governance in PSBs. She was also a member of Appointments Committee for selection of CMDs & EDs of public sector banks.

Presently, she is also on the Boards of Atul Ltd. and Sudharshan Chemical Industries Ltd. as Independent Director.

Smt Shubhalakshmi Panse was appointed as the Chairperson & Managing Director, Allahabad Bank from October 01, 2012 to January 31, 2014. (Prior to that she was an Executive Director of Vijaya Bank from November 20, 2019 to September 30, 2012. She was also the Chairman of ALLBANK Finance Ltd., a subsidiary of Allahabad Bank and Director on the Board of Universal Sompo Insurance Company, a joint venture company of Allahabad Bank, Indian Overseas Bank, Karnataka Bank, Sompo of Japan & Dabar Company.

Smt Shubhalakshmi Panse joined as Probationary Officer in Bank of Maharashtra in 1976 and served upto the level of General Manager in Bank of Maharashtra.

She has wide experience in the areas of Balance Sheet Management, Funds Management, Treasury Management, Corporate Credit Appraisal, Credit Monitoring & restructuring and NPA Management, expertise in Project Appraisal and Monitoring and Implementation, Business Planning, Conceptualising and Planning the road map of Information & Technology, establishing and putting in place systems and procedures for new business outlets and running them efficiently and effectively, Human Resource Development & Management strategies. She has an experience of about 40 years in the banking industry.

Shri Amitabh Chatterjee

Additional Director (Executive)
Deputy Managing Director

Shri Amitabh Chatterjee has been appointed as an Additional Director (Deputy Managing Director) on the Board of the Company w.e.f. July 15, 2021. Agenda relating to his appointment as Director will be placed in the ensuing 34th Annual General Meeting of the Company.

Shri Amitabh Chatterjee has a Master Degree in Business Administration, Bachelor Degree in Science, CAIIB (Certified Associate of Indian Institute of Banking and Finance) and has acquired Diploma in Treasury, Investment and Risk Management.

During his service in the Bank, he has headed different branches including specialised branches like Overseas branches, Prime Corporate Branch, and also headed a Regional office etc. He has also headed the Kolkata Regional Office of the Bank. Prior to his posting to the Company he was holding the position of Deputy General Manager in Canara Bank, Prime Corporate Branch, Bengaluru.

Shri Ajai Kumar

Additional Director (Independent)

Shri Ajai Kumar has been appointed as an Additional Director (Non-executive Independent) on the Board of the Company w.e.f. July 31, 2021.

Agenda relating to his appointment as Director will be placed in the ensuing 34th Annual General Meeting of the Company. Shri Ajai Kumar, is a Master Degree holder in Science (Physics), Bachelor degree in Science, LLB and has acquired CAIIB certification. He has over 40 years of experience in Public sector Banking industry holding eminent position in India and overseas (New York USA). He has acquired multidimensional experience in the field of Global and Domestic banking Operation, Risk Management Treasury, Investment and Money Marketing Operations, Human Resources Management, Business process re-engineering, Retail Banking Operations, Project Management and Banking Information Technology. His past engagements include appointment as Chairman & Managing Director-Corporation Bank, Managing Director & CEO (interim)- Yes Bank Ltd, Executive Director, General Manager-UCO Bank, General Manager- Bank of Baroda etc.

Presently, among other companies he is on the Boards of Amar Ujala Limited, Nuclear Power Corporation of India Limited, Adani Krishnapatnam Port Limited, National Payment Corporation of India Ltd., National Co-Operative Finance and Development Corporation Limited, Indo Zambia Bank Ltd., a joint venture of Bank of Baroda, Bank of India and Central Bank of India with Govt. of Zambia. Indiabulls Asset Management Company Limited, Metropolitan Stock Exchange of India Limited and Indiabulls General Insurance Limited.

Key Managerial Personnel

Shri Girish Kousgi
Managing Director & CEO

Amitabh Chatterjee
Deputy Managing Director

Smt Shamila M
General Manager

Shri Prashanth Joishy
AGM & CFO

Smt Veena G Kamath
AGM & Company Secretary

Profile of Key Managerial Personnel

Shri Girish Kousgi

holding a Post Graduate degree in Business Administration is a banking professional with a rich experience of over 26 years in various organisations like HDFC Ltd., ICICI Bank, IDFC Bank and Tata Capital. He took over as the Managing Director & CEO of Company w.e.f September 05, 2019.
In his career spanning over 26 years, retail banking experience of 17 years coupled with 11 years experience in credit risk and his consequent expertise in sales, mortgage, retail lending, SME and Agri business have helped him hone his capabilities for effective leadership in the new domain.

Shri Amitabh Chatterjee

has a Master Degree in Business Administration,Bachelor Degree in Science, CAIIB(Certified Associate of Indian Institute of Banking and Finance) and has acquired Diploma in Treasury, Investment and Risk Management.

Shri Amitabh Chatterjee has been appointed as an Additional Director (Deputy Managing Director) on the Board of the Company w.e.f. July 15, 2021. Agenda relating to his appointment as Director will be placedin the ensuing 34th Annual General Meeting of the Company.

During his service in the Bank, he has headed different branches including specialised branches like Overseas branches, Prime Corporate Branch and also headed a Regional Office. He has also headed the Kolkata Regional Office of the Bank.

Prior to his posting to the Company he was holding the position of Deputy General Manager in Canara Bank, Prime Corporate Branch, Bengaluru.

Smt.Shamila M

holds a MBA degree and is one of the initial staff members of the Company, having joined it in February 1988 as a management trainee, a few months after inception.

She has served the Company in various capacities and has had a wide exposure and experience in operations. She has successfully headed several branches of the company over the years and has also effectively handled Credit, Accounts, Human Resources Management (HRM), Recovery, Planning & Development departments in the Registered Office during her lengthy tenure of around 33 years. Presently, she oversees the overall functioning of the Company, in her capacity as General Manager.

Shri Prashanth Joishy

Assistant General Manager of F & A Department of the Company is a Commerce graduate. Having joined the Company in 1989, he is a senior employee with 32 years of service. In this period, he has a wide exposure in operations and has headed branches in the states of Karnataka, Maharashtra, Bhubaneswar . He has also worked for about 11 years in Finance & Accounts Department of the Company and has donned the mantle of the Chief Financial Officer (CFO) and Key Managerial Personnel of the Company w.e.f. November 4, 2019, in place of the earlier CFO, Shri Atanu Bagchi, who attained superannuation w.e.f. May 31, 2019.

Smt.Veena G Kamath

holds a degree in Business Management and Law. She is a member of the Institute of Company Secretaries of India (ICSI) too.

Having joined Can Fin Homes Ltd. as the Legal Officer during October 1998, she currently heads the Centralized Legal Department and has been holding the office of the Company Secretary since April 01, 2015.

She also heads Board Secretariat & Taxation Dept and apart from being the Chief Compliance Officer of the Company, she is the Nodal Officer for IEPF and Investor Compliances.

Core Team

Standing Left to Right: Arun Balamani, Prakash Shanbhogue, Sikhin Tanu Shaw, B M Sudhakar, Prashanth Shenoy, Aarti Naik, S Mohanakrishnan, H R Narendra, Ajay Kumar G Shettar, P S Mallya;

Sitting Left to Right: Veena G Kamath, Amitabh Chatterjee, Girish Kousgi, Prashanth Joishy, Shamila M

Management Discussion and Analysis

Indian Economy

India's GDP growth recovered to 1.6% in the last quarter of fiscal year ended March 2021, narrowing contraction in the whole fiscal year from estimated 8% in April to a revised 7.3% during the fiscal year 2020–21 due to the Covid-19 pandemic. The nation-wide lockdown enforced on March 24, 2020 led to severe demand contraction and supply chain disruption across the country, dragging down the quarterly GDP to a record -24% in Q1FY21. Economic activity improved during the unlock phase from June and was supported by pent up demand as investment and consumption grew. The economy delivered sequential quarterly growth in the last two quarters and was among the few global economies to do so.

Among the measures taken to cushion the attendant economic crisis from the pandemic, India adopted an expansionary monetary and fiscal policy, in sync with the global economies. The policy rate was maintained at 4% since May 2020 and along with open market operations conducted throughout the year, the Reserve Bank of India ensured liquidity in the system and lower cost of borrowing. The Government consumption increased by 2% in FY21 aided by various relief schemes for social security and demand revival.

The IMF revised India's GDP growth forecast for FY22 to 9.5% in a span of four months coinciding with the last quarter for FY21. This optimism around recovery, albeit on a low base effect, validates the broad-based recovery observed across sectors during the same period.

However, uncertainty in growth resurfaced since the resurgence of infectious waves in mid-April 2021, exacerbated by the deficient public health infrastructure. The threat was further amplified by the rise in mutation of the coronavirus and other deadly pathogenic outbreaks, while the Government remains constrained with a fiscal deficit of 9.3% in FY21.

The macroeconomic variables, though controlled, are vulnerable to the uncertain global economic environment. The inflation projection will depend on global factors such as commodities super cycle trends, increasing food prices and geopolitical tensions. Amongst the domestic factors, rising contagion effect in rural areas could dampen the expectations from strong forecast for monsoon and robust agriculture sector. The resulting supply chain disruption could increase headline inflation.

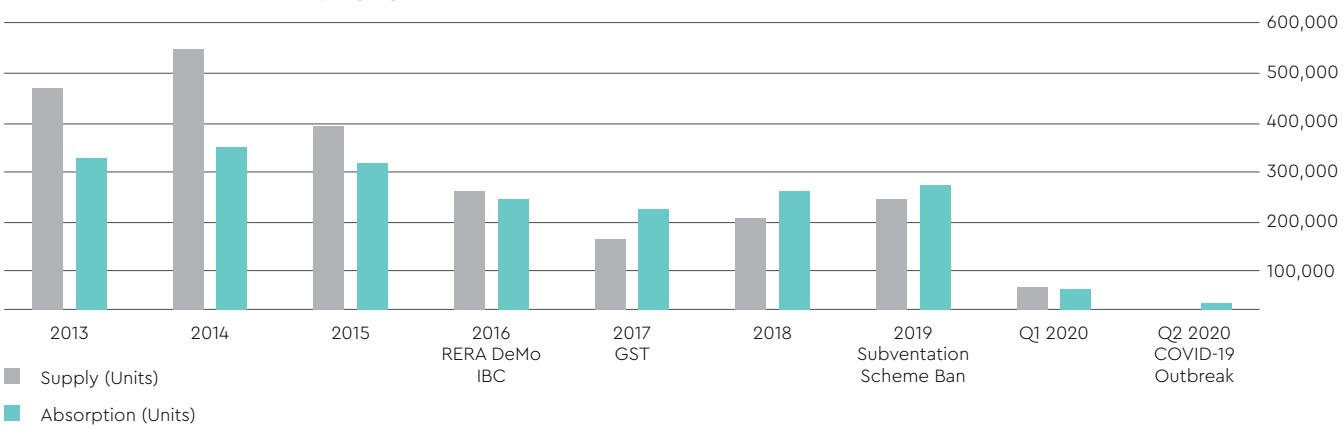
The outlook of the economy, during such uncertain conditions, depends largely on the vaccination rate and containing the rise of new cases.

Indian Housing Review

The Indian housing sector is the largest employment generator in the economy, after agriculture. Besides having a direct impact on the country's GDP and influencing the consumption pattern of its 1.3 billion population, the sector indirectly impacts the human capital formation. Apart from the social and cultural aspect associated with housing, it represents a significant asset class for investment by Indian households.

The Indian housing market is broadly categorized into low, middle and high income according to income potential of consumers. From the supply side, it is transitioning towards a more regulated and efficient market marked by consolidation and entry of new corporate houses and supported by new regulations like GST, RERA, etc.

Indian Residential demand-supply dynamics



Source: FICCI- Anarock

Prices

The consumer demand witnessed steep decline at the onset of the pandemic which reflected in the increased supply of unsold inventory. In an attempt to balance the mismatch, promotional discounts by developers were offered to attract the consumers. This was further supplemented by policy measures such as stamp duty reduction in various States and overall low cost of borrowing in the prevailing low interest rate scenario. The resulting downward pressure on prices is likely to have further improved the affordability ratio in the middle income segment, which probably explains the increase in consumer uptake during the second half of the fiscal year. The quarterly growth of 1.2% in Q3FY21 further corroborates the resumption of economic activities and consumer buying activities after unlocking the economy.

Inventory

New launches and sales, across top 8 cities, registered a sharp decline during the nationwide lockdown in the first quarter of the fiscal 2020–21. However, new launches witnessed marginal improvement thereafter due to improvement in economic activities and demand. The number of units of unsold inventory also declined marginally in Q2FY21, even as the inventory overhang (i.e., average number of months required to sell unsold houses) increased sharply in the wake of the pandemic.

Growth Drivers for Housing

Housing deficit

Urbanization rate in India has increased from 31% in 2011 and is likely to reach 39% by 2036. With a population of 1.3 billion and consumption driven economy, there is significant opportunity in the housing sector.

Demand in Tier II and Tier III cities

The reverse migration that was triggered by Covid 19 along with the work from home culture which is becoming the new normal, requires additional housing units. Affordability and improved infrastructure have also increased demand for housing in smaller cities. Government initiative in smart cities has also triggered demand.

Ready to move-in:

The pandemic has made the average city resident realize the worth of his/her home which is now doubling up as office space and since this arrangement is unlikely to change in the foreseeable future, home buyers are looking for bigger and ready to move in spaces. Low interest rate and consumers' preference for immediate possession are the added factors for upward movement.

Affordable Segment:

The affordable to mid housing segment will continue to command significant traction from buyers who would be willing to leverage upon lower cost of borrowing to buy household property to suit their income, save on rental expenditure and to avail tax benefits.

Digital transformation:

The ongoing pandemic has altered several narratives. This in turn has not only impacted lifestyles but has also altered the way business is done across industries. For the Financial sector it was important to build on and create platforms to ensure smooth operations due to remote working which traditionally is catered to through personal interactions. This sudden shift accelerated the pace of adoption to digital platforms to cater to customers and their needs across products and services to conduct business safely and securely enabling customers to have a seamless experience.

This transformation required a complete overhaul of existing IT systems preparing for a New Normal by capitalising on existing technology advantages and implementing of diverse Data Management Systems (DMS) and Application Programming Interface (API) that have been accessed during the remote working phase. Automation and data analysers tools were embedded/linked to the existing system thus enabling smooth operations and business continuity. A few changes which were vital for transformation are enumerated below:

1) Extension of existing onboarding platforms (websites) were extended to channel partners
2) Real time tracking facilities were made available through mobile apps
3) Customer Acquisition and validation of details through alternate modes like video calls and relaxations for existing customers
4) Assessment of customers with regard to eligibility of loans was done through data fetching from public portals like Goods and Service Tax Network, Ministry of Corporate affairs etc.
5) Tools for real time bank statement information analyzers with real time analytical capabilities has been integrated with the system thereby strengthening the loan origination and processing.
6) This period also sees Fintechs providing API based solutions thus further enabling businesses with tailormade solutions for better control and faster execution.
7) Introduction of Artificial Intelligence/Chat bots to enable resolution for customer queries, complaints and requests enabling faster resolutions.

While these adaptations are rapidly evolving, the pandemic has further enabled Fintechs to strengthen their presence and provide reliable offerings through customized products & partnerships.

Policy Developments during the fiscal year 2020–21

The policy action framework intended to provide liquidity into the system and ease the flow of credit to the capital-intensive real estate sector, thereby influencing economic activity in the country. The notable among them were:

- An ₹ 30000 crore Special Liquidity Scheme for investments in debt papers of NBFC and HFC.
- The Partial Credit Guarantee Scheme, launched in 2019 for the purchase of pooled assets from NBFC and HFC, was modified to also cover their borrowings during the fiscal year 2020–21.
- Financial Institutions including NBFC-HFC were allowed to offer Moratorium facility on payment of instalments with respect to term loans for six months along with relaxation in asset classification norms.
- Extension of the Priority Sector classification for bank loans to NBFCs for on-lending during FY21.
- CRR exemption for banks and allocation of proceeds from Targeted Longer-Term Refinancing Operations (TLTRO) 2.0 auction for improving credit flow towards sectors including housing.
- Risk weights to be rationalized and linked to Loan to Value (LTV) ratios only for all new individual housing loans sanctioned up to 31st March,2022.
- The 'Co lending model' of loans, initiated in 2018 for limited category of banks and NBFCs has been extended to HFCs to improve the credit flow. This will enable a symbiotic development of banks and HFC through leveraging their financial and operational advantages, respectively.

Government schemes and achievements during the fiscal year 2020–21

- Covid-19 related disruption declared to be treated as force majeure under the Real Estate (Regulation and Development) Act and criteria for the scheme fixed thereof.
- The Credit Linked Subsidy Scheme, introduced in 2017 and previously extended till 31st March, 2020 was further extended by one year up to 31st March 2021, for middle income group (MIG) with annual income ranging between ₹ 6–18 lakhs. The extension has been estimated to benefit 2.5 lakh middle income families during the fiscal year FY21.
- Deadline for Emergency Credit Line Guarantee Scheme (ECLGS 2.0) extended till 31st March, 2021.
- Under Aatmanirbhar Bharat 3.0, a sum of ₹ 18000 crore was provided for PMAY-U over and above ₹ 8000 crore allocated in FY21, which is expected to build 12 lakh houses and complete 18 lakh houses.
- The Special Window for Affordable and Mid-Income Housing (SWAMIH) Investment Fund was established in 2019 to enable delivery of stalled housing projects in the affordable and middle-income housing segment, by extending loans for completing the construction. ₹ 25000 crores fund aims to complete 116,000 homes and has already given final approval for 72 projects translating into 44,100 homes by FY21.
- Pradhan Mantri Awas Yojana – Urban (PMAY-U), launched in 2015, aims to provide pucca houses to all eligible urban households in the low income and mid-income categories including slum dwellers, by 2022. Under the scheme, 112.5 lakh houses were sanctioned by the end of March, 2021 against a demand of 112.2 lakh houses, of which 48 lakh units were already completed. In addition to this, work had also started on 80.2 lakh house units.
- Affordable Rental Housing Complexes (ARHC), a sub-scheme under PMAY-U, has been initiated to extend dignified living at affordable rent to urban migrants/ poor in the Industrial sector and those in informal urban economy, close to their workplace. The scheme, which includes new construction along with conversion of existing Government funded vacant housing complexes, has been estimated to benefit 2.95 lakh beneficiaries.

The Budget for fiscal 2021–22 further announced proposals for the development of the real estate industry focusing towards residential segment. The safe harbor limit, which reduces liability and offers certainty in business, was increased from 10% to 20% for residential units. In the affordable housing segment tax incentives were provided which reiterates the Government's push towards this segment. Furthermore, to attract investments in the sector, tax incentives were extended towards dividend payments in REITs and INVITs along with allowing foreign portfolio investments.

Housing Finance Sector Overview

Housing finance market in India is primarily dominated by scheduled commercial banks and Housing Finance Companies (HFCs) with HFCs consistently accounting for nearly two-fifth

of the total housing credit. The overall share of individual housing loans from banks and HFC combined stood at 9.9% of the GDP by end March 2020, along with an outstanding of over ₹ 20 lakh crore.

By end March 2020, there were over 100 HFCs in India, dominated by non-Government public limited companies. This trend will continue in future also. Debentures and bank borrowings have been the main sources of resource mobilization for HFCs, constituting 66% of total resources, while the rest is mobilized through public deposits, NHB, foreign borrowings and others.

The HFCs were the second largest borrowers of funds from the financial system, after NBFCs, with gross payables of ₹ 6.2 lakh crores and gross receivables of ₹ 0.53 lakh crores as at end-September 2020. The resource mobilization from Commercial Papers picked up marginally in the H1FY21.

The RBI modified the rules under its revised framework for Housing Finance Companies (HFC) during the fiscal year 2020–21, to manage the systemic risk to the financial system. The changes listed in the framework include:

- Defined `principal business', `housing finance' and 'qualifying assets' for HFCs. The qualifying assets should be a minimum 50% of total assets, of which at least 75% should be towards individual housing loans, to qualify as HFC.
- Classified non-deposit taking HFCs with asset size greater than ₹ 500 crores and all deposit taking HFCs as systematically important HFCs.
- A minimum net owned funds (NOF) of ₹ 20 crores would be required to operate as HFC.
- The RBI rules on liquidity risk framework, liquidity coverage ratio, securitization as applicable to NBFCs will be applicable to HFCs after a cooling period of two years.

Impact of Covid-19

The resurgence of the fresh Covid-19 wave has put many MSME, individuals and small businesses under stress. Taking cognizance of the prevailing situation, the RBI announced Resolution framework 1.0 and 2.0 under which individuals and small businesses having exposure upto ₹ 25 crore and ₹ 50 crore respectively, can opt for restructuring as per applicable schemes. In case of those who had availed the loan restructuring under the earlier scheme, the RBI permitted the Banks and lending Institutions to modify the plans and increase the period of moratorium to help alleviate the potential stress.

The slowdown induced by the Covid-19 pandemic, impacted Banks and HFCs, however, registered year-on-year growth of 8.5 per cent and 3 per cent, respectively (NHB report in September 2020). The rising refinance offtake and sanctions by Housing Finance Companies (HFC) so far indicate the demand for housing is back in the market, both in lower income and middle income segments.

Lower property prices coupled with reduction in stamp duty/ registration charges in states like Maharashtra, will propel growth. In order to be at par with other Southern states, the Government values have been revised upward for registration and registration charge in Telengana. This is helpful for IT professionals and other salaried employees to access reputed builders, go for high end properties and avail higher loans in a low interest regime. Backed by government policies, support measures and rising population, environment is conducive for affordable housing. Affordable segment housing will continue to remain in demand, as home buyers having an appetite for new property purchases will look to rationalise their quantum of investments.

The housing finance industry had to face many challenges because of Covid 19 and has opened up multiple opportunities due to various relief and liquidity measures announced by the Government and the regulator.

The lower rates coupled with stagnant property prices have led to increase in the affordability. Housing finance disbursement gained momentum in Q3 and Q4. The co-lending model will leverage the competitive advantage of banks and HFCs in a collaborative effort and make available funds to the ultimate beneficiary at an affordable cost, considering the lower cost of funds from banks and greater reach of the HFCs.

With gradual lifting of lockdown measures and reopening of economy, the housing finance activity is on the trajectory of revival. Distinct signs of green shoots in housing finance sector was witnessed in the month on month improved credit offtake from HFCs.

The asset quality across various segments of mortgage finance market such as housing loans, loan against property (LAP), etc. was impacted due to Covid 19 and attendant skepticism in debt servicing capacity of borrowers. The 30-basis point increase in the Gross NPA (GNPA) during 9MFY21 to 2.7% is indicative of the cash flow stress among the borrowers, leading to increase in overdues. With the withdrawal of forbearance measures and intermittent hiccups in economic recovery, the asset quality is likely to deteriorate further, if not properly monitored, thereby countering the upward pressure from increase in credit offtake on profitability of the HFCs.

During H1FY21, the disbursement of individual housing loans of HFCs and banks fell by 45% and 48% respectively, due to demand contraction in the first quarter of the fiscal owing to the lockdown.

During H1FY21, NHB provided refinance support of ₹ 32,851 crores of which 90% was meant for HFC and disbursed subsidy under PMAY-CLSS amounting to ₹ 5353 crores. This helped the lending Institutions avail benefits of liquidity thereby further reduction in EMI for the borrower.

The credit offtake during the second half of the fiscal 2020-21 further indicates the pick-up in housing demand across low and mid-income segments, after the unlocking of the economy in Q2FY21.

Overall Developments and Outlook

The housing finance market was supported by favorable operating environment marked by sharp decline in cost of funds and liquidity measures provided by the central bank and Government. Consequently, the transmission of lower interest rates to borrowers further improved affordability thereby driving sale of housing units, particularly in the affordable and mid income segment. However, the normalization of disbursements to pre-covid levels was observed during the second half of the fiscal 2020–21.

The situation is improving for the residential sector. The enhanced role of Reserve Bank of India (RBI) in the housing sector ensures a better regulated environment for home loan buyers. The policy rates held by the Central Bank are kept low for aiding economic recovery, thereby increasing consumption and growth. As a result, mortgage rates are low, while prices are stagnant. These twin factors make it an appropriate time to acquire a home. As developers have been brought under the domain of RERA, only credible ones who are capable of timely execution of quality products will be able to subsist in the new normal.

From the supply side, structural changes such as including priority sector lending under the ambit of HFCs, developers expected to focus on unfinished projects that were delayed in FY21 and increase in new projects in the current fiscal, is likely to improve demand.

The demand potential driven by rising population and increasing urbanization along with shifting preferences for consumers in the post lockdown environment, is likely to sustain in the near term. The Government push towards affordable and mid-segment housing will further propel growth in the segment on year due to continuation of credit linked subsidy for availing benefits for affordable housing upto March 31, 2022.

Company Overview

Can Fin Homes Ltd. (CFHL), is one of the leading players in the housing finance arena, providing housing loans for individual homes. It also offers non-housing loans including mortgage loans, site loans, loans for commercial properties, loan against rent receivables, top up loans and personal loans. Can Fin Homes is one of the few institutions approved to accept term deposits from the Public.

Can Fin Homes Ltd. has 200 branches spread over 21 States and Union Territories. The Company offers Housing Loans and Mortgage Loans at competitive interest rates both to Salaried and Self-employed category of borrowers, designed to cater to their individual needs.

The Company's focus has mainly been on Housing Loans to individuals with 90 % of loan book comprising Housing Loans and 10 % for Non-Housing. Average Age of incremental borrowers is around 35 years who are mostly first-time home seekers. In order to uphold its objectives of encouraging home ownership and enhance housing stock in the country, the Company focuses on affordable and mid-segment to reach out to a larger cross section of home aspirants. The average ticket size of the loan is ₹ 20 lakhs in respect of housing Loans and ₹ 10 lakhs for non-housing loans.

The Company will continue its focus on affordable segment and will increase its presence in mid-segment to drive faster growth. With this strategy, its growth is expected to be much faster than before. With clear focus on mid-segment, the Company will be able to gain market share in high-end Developers / Corporates. This will also increase ticket size and will reduce risk.

With sustained efforts, the cost of funds was brought down by 107 bps during the year through continuous negotiations with Bankers by repricing term loans and working capital limits. Cost effective funds were also mobilised through market borrowings and refinance facility from National Housing Bank. During the year, the Company changed its pricing strategy as a customer retention initiative and to increase incremental business. In the past the Company has demonstrated its ability to build business at higher yields. The Company will explore possibility of earning better yields with specific products/geography. With one of the lowest cost of funds, the Company's efforts for raising cost effective funds will continue.

The Company's preference for salaried profile will continue in tune with its strategy, which has helped maintain a healthy asset quality. Self employed will be sourced from safe geographies and with better credit profiles.

Throughout the year, the Company has been maintaining adequate liquidity position which has enabled it to raise funds at competitive rates.

The Company has an array of products, focusing on diverse customer requirements. It caters to both the housing and non-

housing segment by offering attractive, competitive rates of interest.

The Company is helmed by richly experienced, astute professionals in all aspects of banking and housing finance. It has eminent personalities on its Board. The branch offices are manned by capable, efficient and trained employees to help the Company source and process quality loans, maintain effective internal control and deliver excellent customer service.

The hallmark of CFHL is a strong, resourceful governance framework and effective operating procedures. The Company's constant endeavour is to improve its TAT (turn-around time) for the customers and provide efficient service and guidance to abide by our motto of Friendship Finance. Customer satisfaction is the gateway to get newer clients and expand business.

A healthy Asset quality is one of the pivotal factors instrumental for CFHL's growth and reliability since it directly impacts provisioning, profitability, net worth and CRAR. The Company has strong credit underwriting practices and has an effectual system to persistently oversee branch operations and assess risk build up, if any. Additionally, CFHL's proven risk management systems and procedures have helped maintain good asset quality.

Digitalization measures enabled our Company to connect and engage with our Customers for business and collections during the lockdown and even after, on account of the need for social distancing.

The Centralized Processing Centres have been increased to standardise decision making and to increase productivity and TATs. The Company is following a well-established branch model where Branch Manager is responsible for business, collections and customer service.

A synopsis of the Company's SWOT is provided below:

Strengths :

Ability to build business at higher yields

Ability to raise funds at lower costs

Large network of branches with wide geographical reach.

Branch model, where the BM is responsible for business, collection and customer service

Sponsored by a strong and one of the leading PSB.

Challenges :

Changes in market environment

Slowdown in the real estate sector

Opportunities :

Increasing demand for housing.

Large number of home buyers in Suburban, Tier II and Tier III Cities

Improvement in affordability

Smart City Concept

Central Government's 'Mission and Vision of Housing for All by 2022'.

Threats :

Change in market scenario

Unpredictability of the Real Estate Sector

Business Segment Overview

Can Fin has a widespread presence in India with 200 branches in 21 states spread across the length and breadth of the Country. Despite the Pandemic, Can Fin Homes performed well during the fiscal 2020-21 in most of the business parameters. The Company's wide range of loan products under Housing and Non-Housing Loans, suit the varied requirements of a large cross-section of borrowers. Necessary measures were taken to bolster the Company in a financial year which was largely dominated by the Pandemic.

The focus of the Company continued on retail home loans in LIG and MIG space. Housing Loans stood at ₹ 22,105 crores as on 31/03/2021. The Loan Book Portfolio of the Company crossed ₹ 22000 Crore during the FY 2020-21.

Housing Loans and Other loans sanctioned (loan approval) were to the extent of ₹ 4631 crore as against previous year's figure of ₹ 5897 crore. Disbursement figure for FY 2020–21 was ₹ 4332 crore, while the same was ₹ 5481 crore during FY 2019–20.

Salaried Class and Professional Category of borrowers continued to be the preferred class of loan recipients. The average ticket size of incremental Housing Loans and Non-Housing Loans is ₹ 20 Lakhs and ₹ 10 Lakhs respectively.

The Product Basket of the Company consists of Housing Loan for Construction, Purchase of ready built house, Flats and Apartments Under Construction and Finished ones, Repair, Renovation and Upgradation including Extension of the existing units, Site Loans, Composite Loan for Purchase of Site and Construction there on, Loans for Urban and Rural Housing, Affordable Housing Loan – Urban, Affordable Housing Loans - Rural, Loans for purchase/construction/repairs of individual houses/flats upto 10 lakhs to borrowers who are getting salary by cash – IHL (Cash Salary) Scheme etc., and Non Housing Loans like mortgage loans, personal loans to existing customers, loans for commercial property, loans for rent receivables, I-Secure Loans for CFHL Customers etc.

Lending Mix

90% of Loan Book constitutes Housing Loans and 10% constitutes Non-Housing Loans, of which salaried comprises 73% and Self Employed 27%.

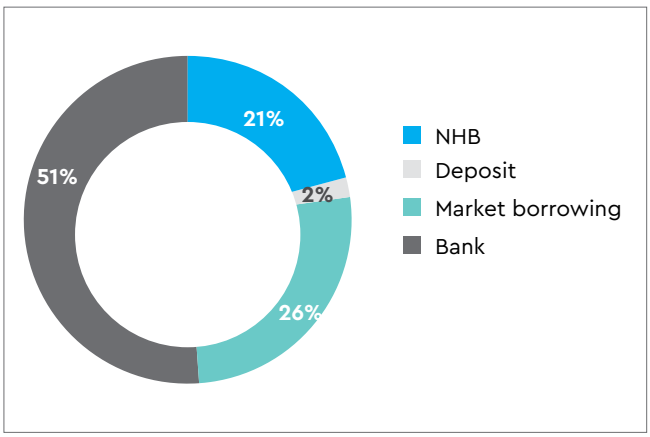
Deposit Schemes

CFHL is one of very few HFCs licensed by NHB/RBI to accept Public Deposits. CFHL accepts two types of deposits viz; Fixed and Cumulative Deposits. These schemes are designed by CFHL to cater to the needs of the common man. Senior Citizens are offered 0.5% higher ROI than the Card Rate for Deposits. Minimum Deposit amount for Fixed Deposit Scheme is ₹ 2 Lakh with option for drawing interest Quarterly, Half Yearly and Yearly Periods and ₹ 10 Lakh for Monthly Interest Payment. The minimum Deposit Amount under Cumulative Deposit is ₹ 20000/-, interest is compounded quarterly and paid on maturity along with the Principal.

Funding Mix

CFHL borrows term loans, credit lines from Banks, refinance from National Housing Bank, Money market instruments like Non-convertible debentures (NCDs), Commercial Papers (CPs) and Deposits from retail market for funding its lending. As on 31st March 2021 the borrowing of the Company stood at ₹ 19292 Crore.

Deposits	442 Crore
NHB	3955 Crore
Market	4994 Crore
Bank	9902 Crore



The sound financial strategy adopted by the Company in terms of a prudent funding mix has always ensured that liquidity levels are comfortable. The cost of funds is continuously monitored for effectiveness and it has consistently been brought down in several quarters. Though there were liquidity challenges in the market, the Company managed liquidity position well.

Ratings

A. For Deposits: MAAA with a stable outlook, highest credit-quality rating assigned by ICRA

B. For Borrowing from Banks: CARE AAA (Outlook Negative) IND RA/AA + (Outlook Stable)

C. For Debentures:

(i) Secured NCD:	ICRA AA+	(Outlook Stable)
	CARE AAA	(Outlook Negative)
(ii) Unsecured NCD:	CARE AAA	(Outlook Negative)
	INDRA AA	(Outlook Stable)

D. For Commercial Paper : ICRA A1+

CARE A1+

Risks and Concerns

As risk is an integral part of business, CFHL manages various risks like Credit Risk, Operational Risk, Market Risk and Liquidity Risk prudently with the help of standard procedures, systems and guidelines.

Credit Risk :

Credit Risk arises on account of default in payment of instalments and is inherent in any lending activity. Reduction in salary or job losses may lead to defaults.

Credit Risk is managed by sound credit norms and a pragmatic credit policy. All new proposals undergo the Credit Appraisal Process which involves a comprehensive Credit Risk assessment standardized procedure for an in-depth analysis of related subjective and objective information of each borrower for correctly gauging their individual creditworthiness. This is most essential for lending. The Company uses various credit assessment agencies like the Credit Information Bureau of India Limited (CIBIL), Experian etc. and the Central Registry

of Securitization Asset Reconstruction and Security Interest of India (CERSAI) to assess the potential risk of the new loan underwritten.

Apart from the check while onboarding a borrower, the Risk Management Policy mandates the periodic assessment of the existing borrower's creditworthiness during the annual resetting of interest. The Offsite Transaction Monitoring System (OTMS), which is an internal monitoring mechanism, provides the necessary inputs and information regularly for corrective action on time.

Review of SMA Accounts is a continuous process for maintaining asset quality. Stressed accounts are closely monitored through preventive rather than the curative approach by periodic inspections, strengthening the inspection team for this purpose and more frequent monitoring of valuation of properties.

External factors such as inflation, deflation, demand, supply dynamics are responsible for this type of risk and are not within the control of the Company. Due to negative trend in market prices, risks like funding risk, liquidity risk and interest rate risk arise.

All loans availed after April 01, 2017 are subject to annual reset of interest rates. A proper mix of short term and long term debt is an intrinsic part of our borrowing policy along with fixed and floating rate instruments. Rate sensitive assets which can be re-priced, takes care of Interest rate fluctuations.

Insufficient funds to meet liabilities constitutes Liquidity Risk. Market liquidity conditions govern this risk of not getting adequate funds when required.

Asset-liability management tolerance levels are keenly watched, as a practical risk mitigation measure. CFHL keeps its borrowing options open and raises funds from different sources like NHB, Banks, NCDs, CPs and Deposits. This enables obtention of funds at lowest possible rates and strengthens liquidity management. ALCO committee reviews its funds regularly. The Company is thus able to have a sound liquidity position.

Covid – 19

Covid-19 has disrupted business, globally. Loss of lives, jobs, income are the consequences of the Pandemic and the entire world is still grappling with the issues that have cropped up in the aftermath of the virulent disease.

The impact has been seen in all sectors including real estate, housing etc. A revival of various economic activities was observed in the 3rd and 4th quarters.

All employees have been vaccinated and the Covid-19 appropriate behavior continues to be followed.

Asset Liability Management

The operational function for managing the balance sheet and asset liability mismatches vests with the ALCO. Cash flows in different time buckets are assessed by ALCO for analyzing behaviour of assets and liabilities and off-balance sheet items. ALCO prevents mismatch between uses and sources of funds. ALCO ensures effective functioning with limits set, for liquidity mismatch and interest rate sensitivity, review mechanisms within the limits prescribed by National Housing Bank/RBI. All the borrowing decisions of the Company are taken by the competent authorities as per the Board approved Policy on Borrowings.

The Risk Management Committee, Audit Committee and the Board of Directors periodically review the financial position of the Company.

Capital Adequacy Ratio

The Company's capital adequacy (CAR) stood at 25.46% of which tier I capital was 23.66% and Tier II was 1.79%. The minimum CAR as per regulatory guidelines is 14% and minimum Tier I capital is 10%.

The Company is required to maintain a minimum CAR of 15% and minimum Tier I capital of 10% as at 31st March 2022. The risk weighted assets of the Company stood at ₹ 11,030 cr.

Internal Audit

Internal Control for operational effectiveness and efficiency, reliable financial reporting and compliance with laws, regulations and policies, is taken care of by the Internal Audit system.

The Risk Based Internal Audit team (RBIA) was further strengthened to intensify the thrust on evaluation of branches and ensure that the functioning is in consonance with the carefully formulated and well documented policies of the Company, plug loopholes and improve customer service, which is the mainstay in an organization like ours. Details of audit reports provided by the Risk Based Internal Audit (RBIA) inspection, NHB/RBI, Sponsor Bank as well as the internal and external Auditors of branches are placed before the Audit Committee of the Board for review. The reports of standalone "Application audit of IT systems" by the IT auditors and special audit for evaluating 'efficiency' of existing internal control systems are reviewed by the Audit Committee periodically. The operations and performance of the audit department is reviewed by the Audit Committee.

The Board of Directors scrutinize and review the Risk profile of the Company, KYC/AML compliances, legal compliance report, ALM at quarterly intervals and compliance of fair practice code, customer complaints at periodical intervals as per the regulatory guidelines. The critical analysis/review of the various policies of the Company is done by the Board Committees prior to approval by the Board.

Asset Quality

Asset Quality is one of the most crucial aspects of an organization, which determines its financial soundness and health.

The Loan Assets of CFHL are administered by the Management with significant time, energy and resources, spent on the same. The critical aspect of reviewing a loan portfolio with regard to borrower default under contractual agreements of payment is undertaken with focus and due diligence. The factors responsible for default are reviewed within the context of any local and regional conditions that adversely affect the Company performance. The adequacy of loan appraisal standards, risk identification practices, reasons resulting in NPAs, existence of asset concentration, timely identification of delinquency and collections, adequacy of internal controls and MIS, the nature of credit documentation are all meticulously verified at various levels for initiating proper and timely action.

The Company has a robust recovery mechanism to contain NPAs, supported by SARFAESI Act. Relentless follow up both at the branch and Central level, significantly improve collection figures.

As on March 31, 2021, the Gross NPA stood at ₹ 201.91 Crore (0.91%) as against ₹ 157.13 Crore (0.76%) during the previous year.

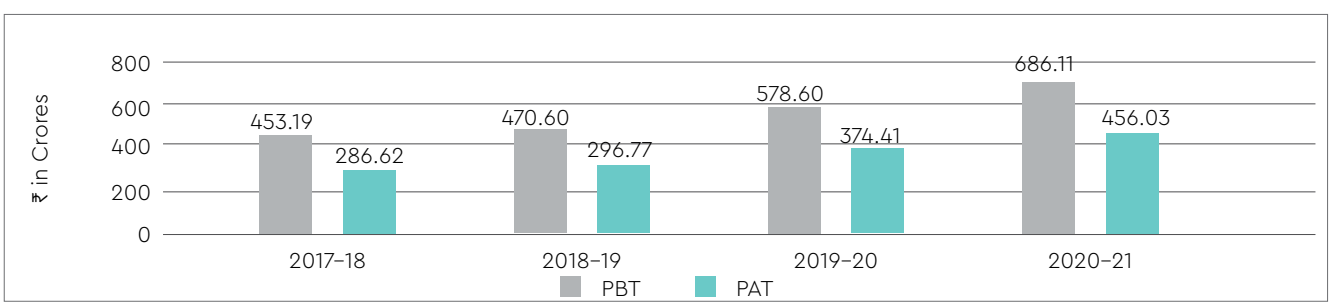
Provisioning for Loans

Being a housing finance company, the guidelines given by the National Housing Bank (NHB)/RBI on Prudential Norms on Asset Classification and provisioning requirement have to be followed. The Company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the Prudential norms of NHB / RBI whichever is higher.

Financial Performance

(Figures in ₹ crores)	FY 2020–21	FY 2019–20	Change
Revenue	2018.43	2030.45	-0.59%
EBITDA	1835.48	1871.97	-1.95%
EBIT	1825.91	1862.50	-2.00%
PAT	456.03	374.41	21.80%
EPS (in ₹)	34.25	28.25	21.24%

PAT margin has improved from 18% in FY 2019–20 to 23% in FY 2020–21.

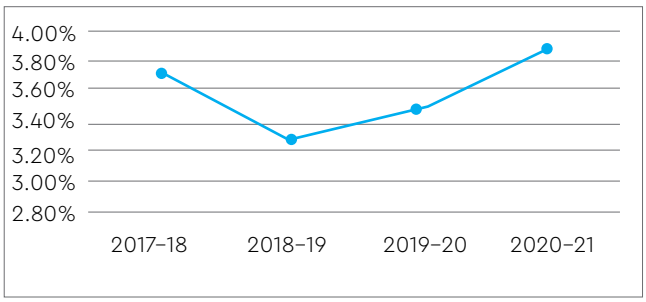


Financial Ratios

Ratio	FY 2020–21	FY 2019–20	Change
Interest Coverage Ratio	1.51	1.39	0.12
Debt Equity Ratio	7.39	8.72	-1.33
Operating Profit Margin (%)	33.99	28.20	5.79
Net Profit Margin (%)	22.59	18.44	4.15

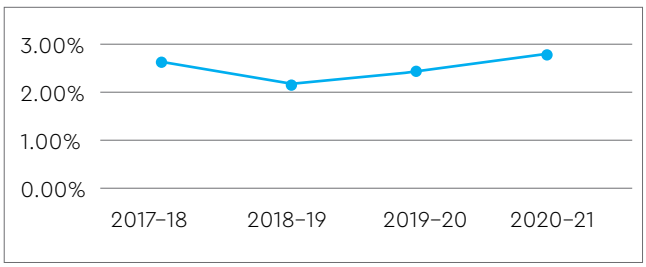
Net Interest Margin

Net interest margin for FY 20-21 was 3.88% as compared to 3.52% in the previous year.



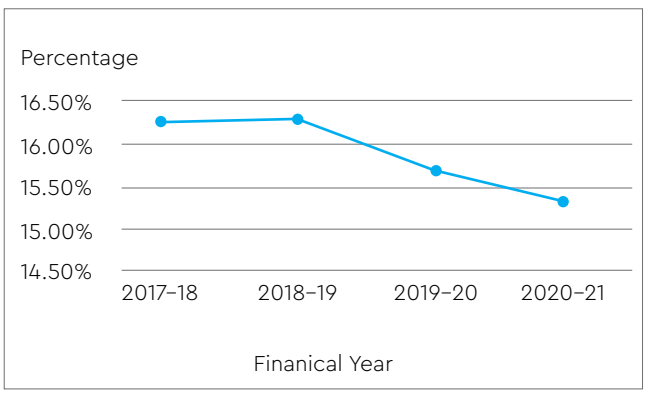
Interest Spread

The average yield on loan assets during FY 20-21 was 9.49% pa compared to 10.23% in the previous year. The average cost of funds was 6.71% pa as compared to 7.78% in the previous year. The spread on loans over cost of borrowings for FY 20-21 was 2.78% pa as against 2.45% in the previous year.



Cost to income ratio

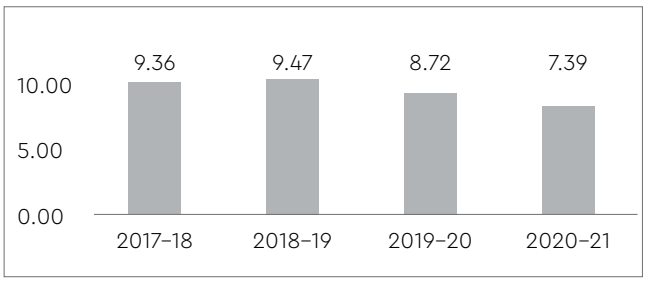
The Company is constantly working on optimising cost and it's cost to income ratio was 15.33% for FY 20-21 as compared to 15.68% during the previous year.



CAR & DER

The Capital Adequacy Ratio of the Company as on March 31, 2021 was at 25.46% which was well above the regulatory requirement of 15%. As per Regulatory norms the Company can borrow 12 times of Net Owned funds. The Leverage Ratio is 7.39 as on March 31, 2021 and there is adequate room to borrow.

Debt Equity Ratio



Human Capital

Human capital is very critical for the success of any organisation. CFHL has passionate, dedicated and loyal employees which form the Company's core strength. Our employees comprise an optimum blend of confident, energetic and enthusiastic youngsters on one hand and mature, experienced and perceptive seniors on the other hand.

'We are what we do repeatedly. Excellence then, is not an act, but a habit". Can Fin sets store by this philosophy and lays heavy emphasis on the professional and personal welfare of the staff. Continuous learning is stressed upon in the human resource policy to meet the expectations of the management and to fructify the ambition and aspirations of employees. Several orientation and training programmes are conducted to motivate the staff and help improve efficiency and job proficiency. Several staff welfare measures are implemented to take care of employee interests, which in turn improve productivity.

Employee loyalty and retention are important factors for progress. To attract, hire and have the best available talent, the Company provides equal employment opportunities and the best working conditions.

The Company recruitment strategy is to hire skilful people with right and positive attitude. Attrition levels are low, reflecting a fairly good job satisfaction index.

As of March 31, 2021, the total employee strength of the Company stood at 887. Total assets per employee as at March 31, 2021 stood at ₹ 25.42 Crore as compared to ₹ 25.07 Crore in the previous year.

IT and Security

Data of the Company is a valuable asset and it is the responsibility of the Company to ensure safety and security of the same. Safeguarding of such data and IT Infrastructure from any cyber threat is accorded top priority.

Our IT & IT Security policy, Cyber Security Policy and Cyber Crisis Management plan includes detailed directions to ensure the protection of business information at all levels.

Business Continuity Plan has ensured that critical business functions were available during lockdown. The Company undertakes vulnerability assessment and penetration testing regularly to test and improve the implemented control measures.

The operations of all the branches and the Registered Office are linked through a core-banking platform (Integrated Business Suite).

Segment wise Reporting

Segment has been identified in line with the Accounting Standard on segment reporting, considering the organization structure as well as the differential risk and returns of these segments. The Company is exclusively engaged in the Housing Finance business and revenues are mainly generated from this activity.

Related Party Transactions

CFHL maintains an arm's length relationship with related parties. The Company's detailed policy on related party transactions is uploaded in the Company's website for the information of all the stakeholders. The related party transactions with details are furnished in the Note forming part of the accounts. All related party transactions are approved by the Audit Committee or Board or members at a general meeting, as applicable.

Corporate Social Responsibility

The Company is committed to Corporate Social Responsibility measures. In FY 2020–21, the CSR activities encompassed the promotion of education, including special education, procurement of educational tabs, water filters etc., for Government schools, construction of class room blocks for schools, renovation of anganawadis, Scholarships for under privileged, Scholarships were awarded for girl child education, and to special, differently abled students for pursuing higher education, basic equipment to differently abled old and homeless destitutes, construction of library building, toilets etc.

The Company's CSR measures also give a thrust to healthcare by donating advanced medical equipment and ambulances to Hospitals. The Company has extended its CSR support for the construction of a Fitness cum sports centre for tribal students. The Company has also contributed for nutritional expenses, procurement of basic Fixed assets for old age homes, orphanages and residential homes for differently abled people.

Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES) and Karnataka State Disaster management Authority during COVID-19 pandemic to provide relief to those affected by any kind of emergency or distress situation like COVID-19, has also formed part of its CSR activities.

During the year under review, a total of ₹ 11 crores has been spent towards CSR activities undertaken by the Company and ₹ 1.73 crores has been sanctioned and will be disbursed during the current Financial Year.

Prospects and Plans of the Company

After the upheaval following the outbreak of Covid-19, which afflicted the entire populace across the country from March 2020 onwards, the post Pandemic phase has begun, following containment measures and a massive vaccination drive. The situation is improving, markets are opening up, there is revival of different sectors and businesses, mobility issues have been resolved to a large extent with the gradual ease of restrictions and there is optimism that the economy is poised to grow.

In the real estate sector and housing finance arena, it is anticipated that demand will spiral upwards and aid business growth. Can Fin Homes will pick up the gauntlet to increase growth in lending and ensure to increase the number of home owners. The margin of difference between the bank rates and our rates has reduced and is bound to help us increase volumes.

The cost of funds will be perpetually monitored and will be aggressively brought down to enhance our profitability parameters. Thrust on collections will also be an ongoing exercise and our focus on Asset Quality will not waver and maintenance of the same will be an ongoing endeavour.

Notwithstanding the deadly second wave of COVID-19 that led to severe economic repercussions in the months of April and

May, signs of recovery for demand in residential real estate were visible in June. Despite the slump during April and May, the demand for housing in June'21 rebounded to pre-covid levels. The intermittent lockdown due to the second wave and the continuance of Work-From-Home (WFH) policies ensured a rise in demand for 3BHKs and above as home buyers are looking to upgrade for the need of an extra room to suit the requirement of home-office.

Signs also suggest that the momentum gained in the last six months will continue across both supply and demand, especially due to the emerging needs of consumers for large size houses and all-time low interest rates. However, caution is required given the resurgence of COVID cases in the country and threats of another streak of lockdowns. The future of the sector is tied to speedy vaccine drives and completion of infrastructure projects like the metro and major highway projects.

Cautionary Statements

This document contains statements about expected future events, financial and operating results of Can Fin Homes, which are forward looking. By their nature, forward looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of Can Fin Homes Annual Report, 2020–21.

For and on behalf of the Board of Directors

Sd/-

Place: Bengaluru
Date : July 31, 2021

Venkata Prabhakar
Chairperson

Report of Directors

To the Members,

The Board of Directors hereby submit the report of business and operations of your Company, along with the audited financial statements, for the financial year ended March 31, 2021.

1. FINANCIAL RESULTS

The financial performance for the FY20–21 is summarised here below:

(₹ in Lakh)

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Profit before Tax & Provisions	68,611.18	57,860.22
Less: Impairment on financial instruments	6,853.17	6,031.57
Profit before Tax	**61,758.02**	**51,828.65**
Less: Tax expenses:		
(a) Provision for Tax – Current Year	17,163.72	14,556.71
- Previous Year	143.50	461.81
(b) Deferred Taxation	(1,155.23)	(802.22)
Profit after Tax	**45,606.03**	**37,612.35**
Add: Other Comprehensive Income		
A. Items that will not be reclassified to profit or loss		
(i) Actuarial (Gain)/ loss	3.92	228.55
(ii) Income tax relating to items that will not be reclassified to profit or loss	0.99	(57.52)
B. Items that will be reclassified to profit or loss		
(i) Income tax relating to items that will be reclassified to profit or loss	0	0.00
Other Comprehensive Income	2.94	171.03
Total Comprehensive Income for the period	**45,603.10**	**37,441.32**
Balance brought forward from previous year	13,126.55	5,937.64
	58,729.64	**43,378.96**
Appropriations:		
Impact on adoption of Ind AS 116		382.80
Transfer to Special Reserve u/s.36(1)(viii) of the Income Tax Act, 1961	12,054.62	11,682.55
Transfer to General Reserve	9,120.62	7,488.26
Additional Reserve (u/s.29C of the NHB Act)	9,120.62	7,488.26
Proposed Dividend	2,663.08	2,663.08
Tax on Distributed Profits	0.00	547.45
Balance carried forward to Balance Sheet	25,770.70	13,126.55
	58,729.64	**43,378.96**

Note: (1) Figures have been regrouped wherever necessary while preparing the statements as per IND-AS requirements.

(2) The proposed dividend of ₹2/- per equity share is not recognised as liability in the annual accounts as at March 31, 2021 (in compliance with IND AS 10 events occurring after the Balance sheet date). The same will be considered as liability on approval of shareholders at the 34th Annual General Meeting.

2. SHAREHOLDERS' WEALTH

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Earnings Per Share (EPS) (₹)	34.25	28.25
Dividend Rate	100%	100%
Market Price of shares (₹)	613.75	279.05
Market Capitalisation (₹ in Crore)	8172.33	3715.67

3. BUSINESS PERFORMANCE HIGHLIGHTS

The Pandemic and the consequent lockdown from March 24, 2020 which curtailed operations partially in the last month of FY 2019-20, also negatively impacted businesses across the globe and in India for about 6 months.

The slump for the first half of the FY21 adversely affected the business of your Company. However, as the economy started to revive and the demand for houses resurfaced, the performance improved and the Company did exceedingly well in the last 2 quarters.

a) Sanctions

The Company sanctioned loans amounting to ₹1256 crore in Q3 and ₹2,257 crore in Q4. During the year, the Company has sanctioned loans amounting to ₹4,631 Crore as compared to ₹5,897 Crore in the previous year 87% of fresh loan approvals during the year were for housing. The cumulative loan sanctions since inception of your Company stood at ₹48,602 Crore at the end of the FY21. Average ticket size of incremental housing loans and non-housing loans are ₹20 Lakh and ₹ 10 Lakh, respectively.

b) Disbursements

Disbursements during the third quarter amounted to ₹ 1,106 crore and ₹2,001 crore during Q4 FY 21, which is the highest in any single quarter, so far.

During the year, the Company has disbursed loans amounting to ₹4,331 Crore as compared to ₹ 5,481 Crore in the previous year. The cumulative loan disbursements from inception to the end of the FY21 was ₹ 43,581 Crore.

c) Loans outstanding (Loan Book)

Your Directors are pleased to report that the total loan outstanding as at March 31, 2021 was ₹ 22,105 Crore, recording a growth of around 7% over last year (previous year ₹ 20,706 Crore). At a portfolio level, housing loan constitutes 90%, Top-up Loans-4% and Loans Against Property (LAP).

Non-Performing Assets (NPAs)

Your Company's focus on collections has been consistent. All efforts have been made to take care of the borrowers interests.

Guidelines were issued by the Reserve Bank of India on March 27, 2020 to grant moratorium to the for instalments falling due from March 01, 2020 to 31st May 31, 2020 and then extended it upto 31st August 2020 vide their directions dated May 23, 2020 and your Company granted Moratorium facility to customers accordingly.

The Gross NPA of your Company as on March 31, 2021 was ₹201.91 Crore (previous year ₹ 157.13 Crore). The net NPA as on March 31, 2021 was ₹134.33 Crore, with the NPA Provision Coverage Ratio at 39% during the year. The gross NPA percentage as on March 31, 2021 stood at 0.91% compared to 0.76% as on March 31, 2020.

Profits

Your Directors are happy to inform that during the year under review, despite the constraints induced by the Pandemic, your Company recorded an Operating Profit of ₹686.11 Crore (previous year ₹578.60 Crore), Profit Before Tax (PBT) of ₹617.58 Crore (previous year ₹518.29 Crore) and Profit After Tax (PAT) of ₹456.03 Crore (previous year ₹374.41 Crore) registering YOY increase of 22% respectively.

During the year Company has made provisions for standard assets amounting to ₹18.30 Crore. Out of ₹18.30 crore, an amount of ₹ 5.30 crore was provision for standard assets, ₹ 7.65 crore was provision for restructured loans and balance ₹ 5.35 crore additional provision. Provision for standard assets was ₹7.92 Crore during the previous year.

Provision was made for Non-performing assets amounting to ₹22.27 Crore (previous year ₹15.85 Crore). General provision as per RBI circular on Covid-19 regulatory package amounting to ₹36.35 Crore and provisions for Taxation and Deferred Tax Asset amounting to ₹161.52 Crore (previous year ₹142.16 Crore) was made.

d) Reserves

For reserves during the year, please refer statement of changes in equity for the period ended March 31, 2021 forming part of Financial Statements 2021.

e) Dividend

Your Company has a consistent track record of dividend payments. Your directors, after giving due consideration to Capital Adequacy requirements, deferred tax liability, uncertainty on account of Covid-19, its impact on financial markets, the resultant impact on the Company and the Dividend Distribution Policy are happy to recommend a dividend of ₹2/- per equity share (100%), for the financial year ended March 31, 2021, subject to the approval of the Shareholders at the ensuing Annual General Meeting of the Company. The amount of dividend recommended for payment for the year under review is ₹26.63 Crore. As per section 194 of Income Tax Act, a company is required to deduct TDS @ 10% on dividend payment if it exceeds ₹ 5000/-. However, no TDS shall be deducted in the case of any dividend payment to any Insurance Company and Mutual Funds specified u/s 10(23D) of Income Tax Act. Moreover, as per section 195 of the Act, TDS is required to be deducted @ 20% plus surcharge on payment of Dividend to Non-Residents. The Dividend Distribution Policy as required under regulation 43A of SEBI (LODR) Regulations, 2015, is available on the website of the Company (web link https://www.canfinhomes.com/pdf/Dividend-Distribution-Policy-31012020.pdf).

Impact of Covid on business:

World Health Organisation had declared Covid-19 as a pandemic in March 2020 and the entire world has been grappling with the dreaded disease. The resilient human spirit endured and overcame the first wave. Between October 2020 to March 2021, lives, businesses and economies resumed with near normalcy. However, severity of the Pandemic during the first 6 months of the fiscal has definitely impacted performance of most business and corporate entities.

The Company's main business is providing loans for construction/ purchase of houses/ flats against the security of immovable property.

During the first two quarters, your Company continuously was in touch with customers, trying to understand their needs, impact on income due to Covid and well-being. Customers were educated regarding RBI's initiative of granting moratorium. This initiative helped customers choose the right option and also helped the Company manage portfolio effectively post Covid. Business picked up in the third quarter and Company performed well during the last 2 quarters.

In Q4, the Company disbursed ₹ 2001 Crore which is an all-time high quarterly number in last 33 years. The Company registered 44% growth in Disbursements in Q4 YOY and disbursements increased sequentially by 81%. We were able to do well on the Collections front too and contained NPAs at 0.91%. Despite pandemic, the Company managed to deliver a good performance.

4. EXPANSION OF BRANCH NETWORK

Your Company has been continuously expanding its network of branches. Though our presence in Southern states is predominant, new branches have been opened in various parts of the country after examining the potential on the basis of surveys conducted.

During FY21, due to Covid-19 related restrictions, only 4 new branches were opened. As at the end of FY21, your Company has an expanded network of 200 branches spread across 21 states comprising 186 branches and 14 Satellite Offices.

During FY22, your Company has plans to open branches depending on the return to full normalcy, considering the growth potential of various locations.

5. TECHNOLOGY INITIATIVES

All the branches and the Registered Office are connected through a core-banking platform (Integrated Business Suite) with Cloud compute services. The Company has implemented Multiprotocol Label Switching (MPLS) links for a higher bandwidth, security and dedicated uptime.

In order to improve operational efficiency, your Company has embarked on technology initiatives like implementation of Central Know Your Customer (CKYC)

and web-based Application software for Inspection & Audit. The website of your Company is interactive and user friendly.

Your Company has introduced digital meetings platform for Board and Committee meetings which is paperless, secure, efficient and cost effective. Further, the Company has also introduced digital platform for the tracking of Unpublished Price Sensitive Information (UPSI).

During the Pandemic, as per the new normal, several virtual meetings were conducted and your Company optimally utilized the Video Conferencing facility at various centres. Virtual review meetings with branches, clusters and interviews for recruitments were facilitated with the use of this technology.

The technological capabilities of the Company were quickly leveraged to ensure that operations were smooth and the employees were successfully able to work from home even during the lockdown.

Digitalization measures enabled your company to connect and engage with our Customers for business and collections during lockdown and even after, on account of the need for social distancing.

Thrust on cyber security was given and all employees have been regularly informed about security awareness and the dos and donts to safeguard the information assets of the Company.

Business continuity plan is tested to address disruption risks in the event of an unforeseen situation and in the unprecedented lockdown this enabled us to continue operations smoothly.

6. CUSTOMER FRIENDLY INITIATIVES

The Company follows transparent, fair and impartial practices covering all customers across branches. Information related to our Company, products, schemes and charges is made available in the website of the Company.

As per NHB/RBI Master Directions, the Fair Practices Code (FPC) and Most Important Terms and Conditions (MITC) are regularly updated and uploaded in the Company's website for ready reference of our customers. The customer portal on the website enables customers to access Income Tax provisional certificates and facilitates online money transfer.

The COVID-19 pandemic necessitated several safety measures to safeguard the health and welfare of the customers and your Company ensured that all the necessary steps were taken in this direction, including social distancing, provision of sanitizers in all branches, usage of masks by the staff, etc.

We have also ensured that most of their requirements have been met by way of telephonic discussions and mails in order to prevent avoidable visits during the course of the Pandemic.

As an environment friendly initiative, we have provided cotton cloth bags to our customers across the country through our branches, to discourage and discontinue the use of plastic which harms the ecosystem.

7. FINANCIAL RESOURCES

a) Refinance from National Housing Bank (NHB) and borrowings from Banks

During the year, your Company had availed fresh refinance amounting to ₹500 Crore out of the sanctioned ₹2,000 Crore (previous year ₹1,500 Crore) under the NHB refinance scheme and Special Refinance Assistance of ₹ 636 Crores. The cumulative NHB borrowings as on March 31, 2021 were ₹3,954.94 Crore (previous year ₹3,446.88 Crore), with the overall cost of borrowing (including the loans under Rural Housing and Urban Housing Schemes) of 6.41% p.a.

b) Borrowings from Banks

During the year, borrowings were diversified through a combination of short-term and long-term loans considering the asset liability management position to reap maximum benefit of interest rates. To diversify risks within banks, we had exposure from PSU/Private/Foreign banks. The aggregate bank borrowings (term loans plus overdraft) at the end of the financial year stood at ₹ 13,856 Crore; the overall borrowings are within regulatory ceiling of 13 times of net owned funds.

The overall cost of borrowings from banks was 6.71% p.a. as on March 31, 2021. During the year, the long-term 'rating' of the Company for term loans was [ICRA] AA+ (Pronounced as ICRA Double A Plus), signifying high degree of safety regarding timely servicing of financial obligations.

c) Debentures

(i) Secured Non-Convertible Debentures

The Company has issued Secured Redeemable Non-Convertible Non-Cumulative Taxable

Debentures (SRNCD) during the year of ₹275 Crores (previous year was ₹250 Crores). The debentures were secured by way of a floating charge on the assets i.e., loan receivables specifically earmarked for the purpose in favour of the Debenture Trustees. Most of the investors in these debentures comprised major insurance companies, public sector banks, corporates, PF Trusts and investors of repute, indicating their safety perception of your Company's fundamentals and prospects.

The tenure of the outstanding debentures is range bound for two to five years. The interest on these debentures was serviced regularly. The aggregate borrowings by way of Secured NCDs as on March 31, 2021 was ₹ 1,298 Crore (previous year ₹ 2,562 Crore) while the overall cost was 7.76% p.a. The debentures were rated, CARE AAA' (Outlook Negative) by CARE Limited and '[ICRA] AA+' by ICRA Limited, signifying high degree of safety regarding timely servicing of financial obligations and carry very low credit risk. These debentures were listed on the Wholesale Debt Market (WDM) segment of the National Stock Exchange of India Limited.

Your Company plans to raise Non – Convertible Debentures up to a maximum of ₹ 4,000 Crore subject to cost benefit and asset liability management requirements and with the approval of members at ensuing Annual General Meeting.

(ii) Unsecured Non-Convertible Debentures

During FY14–15, your Company had issued 8.94% Unsecured Non-Convertible Debentures in the nature of Tier II Bonds aggregating ₹ 100 Crore for a tenure of 10 years. These debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II Capital under the National Housing Bank (NHB) guidelines for assessing Capital Adequacy Requirements. These Tier II Bonds were rated, CARE AAA' (Outlook Negative) by CARE Limited and '[ICRA] AA+' (Outlook Stable) by ICRA Ltd. Your Company has serviced the interest on the above debentures on the due date.

The Company is in compliance with the provisions of the Housing Finance Companies Issuance of Non-Convertible Debentures on private placement basis (NHB) Directions, 2014 and RBI HFC Directions as applicable and has been regular in payment of principal and interest on the NCDs. Details of borrowings are provided in the notes to accounts.

The Company affirms that there has been no deviation or variation in the utilisation of proceeds of Non- Convertible debentures from the objects stated in the offer document or explanatory statement to the notice for the general meeting, as applicable. During the year there were no public issues.

The Company confirms that the non-convertible debentures which became due for redemption, have been paid in full and there are no unclaimed or unpaid non-convertible debentures as on date.

d) Commercial Paper

Your Company mobilises funds through Commercial Paper (CP) for leveraging cost of borrowing to the extent of undrawn Bank limits. The outstanding at the end of the March 2021 was ₹ 3,594 Crore (previous year ₹ 1,247 Crore). The effective cost of funds raised through CP was 4.95% p.a. The CP issued by your Company was rated at the maximum [ICRA] A1+ rating by ICRA Ltd., and CARE A1+' by CARE Limited. Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations.

The Company affirms that there has been no deviation or variation in the utilisation of proceeds of Commercial Papers, from the objects stated in the offer document

e) Deposits

During the year your Company accepted deposits of ₹368 Crore (Previous year ₹195 Crore). The outstanding balance of deposits (including interest accrued, but not due) as of March 31, 2021 was ₹ 442 Crore (previous year ₹ 305 Crore). The rate of interest on public deposits ranged from 6% to 7.50% while the overall cost (average) of deposits was 7.38% p.a. as on March 31, 2021.

As on March 31, 2021, a sum of ₹11.88 Crore relating to 729 accounts of public deposits (₹13.91 Crore as on March 31, 2020 relating to 879 accounts) remained unclaimed/ overdue. Of this amount, a sum of ₹6.87 Crore relating to 244 accounts (previous year ₹11.39 Crore relating to 252 accounts) were claimed and

renewed/settled up to June 30, 2021. Depositors were intimated regarding the maturity of deposits with a request to either renew or claim their deposits. Where the deposit remains unclaimed, reminder letters/sms are sent to depositors periodically and follow up action is initiated through the concerned branch. Your Company has not defaulted in repayment of deposits or interest during the year. The Company has complied with the requirements under Chapter V of the Companies Act, 2013 to the extent applicable.

During the year, the deposit schemes of your Company have been rated 'MAAA' Stable (pronounced as M Triple A), by ICRA Ltd., indicating 'highest credit-quality' and that the rated deposit programme carried the lowest credit risk. Your Company, being a Housing Finance Company registered with National Housing Bank (NHB), has complied with the Directions/Guidelines issued by the NHB and RBI with regard to deposit acceptance and renewal. Your Company is exempted from the applicability of the Companies (Acceptance of Deposits) Rules 2014.

f) Mortgage-backed securities

Your Company did not opt for securitisation during the year under review. There were no securitised assets outstanding as on March 31, 2021.

8. REGULATORY COMPLIANCES

Compliance with Directions/ Guidelines of National Housing Bank (NHB)/RBI and other statutes

Your Company has complied with the Housing Finance Companies (NHB) Directions, 2010 and other directions/ guidelines prescribed by NHB and as amended from time to time till February 17, 2021 i.e., issue of Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 by RBI. Your Company has adhered to the prudential guidelines/norms for non- performing assets (NPAs) and directions issued by NHB on withdrawal of pre-closure charges for all loans, asset classification of credit/ investments, credit rating, acceptance of deposits, Fair Practices Code (FPC), Most Important Terms and Conditions (MITC), Customer Complaints Redressal Mechanism, Know Your Customer (KYC), Anti-Money Laundering (AML) Guidelines, Asset Liability Management, Capital Adequacy Ratio (CAR) norms, Information Technology frameworks, CERSAI, Implementation of Indian Accounting Standards (Ind AS), Guidelines on Reporting and Monitoring of Frauds in Housing Finance Companies, INGRAM software, constitution of IT Strategy Committee, Guidelines on reporting and monitoring of Frauds in Housing Finance Companies and other related instructions issued by the National Housing Bank (NHB) were implemented in letter and spirit with an explicit notification on the website of your Company, to the extent applicable.

In August 2019, the central government conferred the powers of regulation of Housing Finance Companies (HFCs) to RBI from NHB. NHB continues to carry out the function of supervision of HFCs.

In October 2020, RBI issued the regulatory framework for HFCs in supersession of the corresponding regulations by NHB. The objective of the framework was to facilitate regulatory transition in a phased manner with least disruption.

During the year, RBI introduced certain regulatory changes for HFCs such as the principal business criteria for housing finance, definition of housing finance, minimum net owned fund requirements, guidelines on liquidity risk management framework and liquidity coverage ratio, amongst others.

Further, on February 17, 2021, RBI issued Master Direction - Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI HFC Directions). These directions came into force with immediate effect. As mentioned in the notification, RBI has issued the subject Regulations to all Housing Finance Companies (HFCs), considering it necessary in the public interest, and being satisfied that, for the purpose of enabling the Bank to regulate the financial system to the advantage of the country and to prevent the affairs of HFCs from being conducted in a manner detrimental to the interest of investors and depositors or in any manner prejudicial to the interest of such HFCs.

Key changes in the regulations are detailed in the Management Discussion & Analysis report.

In terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 Housing Finance Companies – Corporate Governance (NHB) Directions, 2016, the Company has attached the Related Party Transactions Policy at the end of this Annual Report.

During the year, the NHB conducted regular inspection of your Company in November 2020, for the position as at March 2020. The replies on the observations were submitted within the prescribed time to NHB, which were reviewed by the Audit Committee and the Board.

During 2020–21, NHB vide its letter dated October 15, 2020 had imposed a penalty of ₹5,900 (inclusive of GST@18%) for alleged contravention of section 29 of the NHB Act, 1987, relating to creation of floating charge on SLR investments in favour of the Deposit Trustee, on SLR investment maintained to an extent of more than 13% (requirement 13%) on the total public deposit outstanding as on the last day of 2nd preceding quarter. The Company had sent a reply and remitted the amount.

Your Company has complied with other related statutory Guidelines/Directions/Policies as applicable to the Company from time to time. Compliance of all Regulatory directions/ guidelines of NHB/RBI other statutes are periodically reviewed by the Audit Committee and the Board.

Your Company has complied with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as applicable read with Section 133 of the Companies Act, 2013 and guidelines issued by National Housing Bank.

IRDAI Compliance

The Company is registered with IRDAI for carrying on the Insurance Agency Business and has complied with the applicable compliances under Insurance Regulatory and Development Act, 1999 and IRDAI (Registration of Corporate Agent) Regulations 2015, as amended from time to time. During the year the Company has implemented an 'appropriate policy' on maintenance of records and destruction of old records. Being an insurance intermediary, Company is maintaining all the required information as per IRDAI rules.

Other Compliances

The Company, on 04/04/2018, had obtained the Legal Entity Identifier No.335800EJ9Y3XDP5ZDH81 as required under the RBI Circular -No.RBI/2017- 18/82 – DBR. No.BP.92/21.04.048/2017–18 dated November 02, 2017 and as advised by NHB. The same has been renewed for the year 2021–22.

As required under Section 215 of the Insolvency and Bankruptcy Code, 2016, the Company has registered itself with National e-governance Services Limited (NeSL) authorized by IBBI obtained registration No.9160743937431514312. Further, we have executed an agreement with NeSL on February 28, 2019. We are authenticating the request by our creditors on NeSL on regular basis.

The Company has registered on TReDS Platform through Receivables Exchange of India Limited (RXIL) vide registration No.CA0000876.

As per RBI/2015–16/96 Master Circular No.15/2015- 16 i.e. Master Circular on Foreign Investment in India and as per RBI/2017–18/194 A.P (DIR Series) Circular No.30 dated June 07, 2018 i.e. Foreign Investment in India, all types of Companies which have foreign investment are required to report through FIRMS – Reporting in Single Master Form. Your Company has registered as required under the above circular.

9. COMPLIANCE UNDER THE COMPANIES ACT, 2013

Your Company has complied with the requirements of the applicable provisions of the Companies Act, 2013 and related Rules during the FY 20–21. As per the requirements of Section 92(3) of the Act and Rules framed thereunder, the extract of the Annual Return for FY 2020–21 is uploaded on the website of the Company and the same is available at 'Events' Page. The link for the same is canfinhomes.com/pdf/Events/34thAGM/Provisional%20Form%20MGT-7%20for%20FY%202021.pdf For more details regarding Compliances, please refer the Secretarial Audit Report enclosed to this Report as Annexure-1.

Significant and material orders

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and the Company's operations in future. The details of penalty levied by the Regulator NHB are provided in the Report on Corporate Governance.

There are no material changes and commitments affecting the financial position of the Company which have occurred after March 31, 2021 till the date of this report.

CSR activity: The Company has contributed ₹ 4 Crore to Prime Minister's Citizen Assistance & Relief in Emergency Situations Fund (PM – CARES) and ₹ 1 Crore to Karnataka State Disaster Management Authority.

As a socially responsible Company, our CSR activities are carried out throughout the year. In FY 2020–21, the CSR activities involved extending aid for the purpose of education including special education, provision of educational tabs, water filters etc for Government schools, construction of class room blocks for schools, renovation of anganwadis, awarding scholarships for the under privileged, girl child and to special differently abled students for pursuing higher education. Basic equipment

was provided to differently abled old and homeless destitutes, construction of library building, toilets etc.

The Company's CSR measures also give a thrust to healthcare and has provided advanced medical equipment and ambulances to Hospitals. The details of CSR activities are given separately as Annexure....

10. CAPITAL ADEQUACY

The Capital Adequacy Ratio (CAR) of your Company as at March 31, 2021 stood at 25.46% (previous year 22.26%) as against the Regulatory benchmark of 14% prescribed by the National Housing Bank (NHB).

11. DEPRECIATION

Depreciation was calculated on the Written Down Value Method based on useful life, in the manner prescribed in Schedule II to the Companies Act, 2013.

12. DEFERRED TAX ASSET (DTA)

During the year, Deferred Tax Asset (net) of ₹ 11.55 Crore (previous year 8.02 Crore) was considered in the Statement of Profit & Loss, on account of various components of asset & liabilities. The DTA outstanding at the end of the March 2021 was ₹45.45 Crore (previous year ₹33.89 Crore).

13. RECOVERY ACTION UNDER SECURITISATION & RECONSTRUCTION OF FINANCIAL ASSETS AND ENFORCEMENT OF SECURITY INTEREST ACT, 2002 (SARFAESI ACT)

As at the beginning of the year, action was in progress in respect of 1079 NPA accounts under Securitisation and Reconstruction of Financial Asset and Enforcement of Security Interest (SARFAESI) Act, 2002 and received ₹34 Crore (previous year ₹50 Crore) from borrowers. There was no progress in recovery under SARFAESI Act due to the pandemic.

14. LISTING OF SECURITIES:

The equity shares of the Company continued to be listed on the BSE Limited (BSE), Mumbai, and the National Stock Exchange of India Ltd. (NSE), Mumbai.

The non-convertible debentures issued on private placement are listed on National Stock Exchange of India Ltd.

As per SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, captioned "Framework for listing of Commercial Paper" the Company has also listed its Commercial Papers (CPs) on BSE Limited (BSE).

15. HUMAN RESOURCES DEVELOPMENT

The total number of employees of the Company was 887 (756 regular and 131 on contract) as on March 31, 2021 as against 838 (652 regular and 186 on contract) as at the end of the previous year.

Employees form the backbone of the Company. Their knowledge, dedication, aptitude, skills are of primary importance. The Company therefore ensures that the employees are fully equipped to discharge their duties effectively and efficiently and provide the necessary support in this direction by organizing orientation sessions, imparting on the job training, enabling them to take part in relevant webinars etc. conducted by Regulatory authorities and reputed institutions.

During the year, training in credit, information technology, human relations, customer service, Grievance redressal, finance, taxation, marketing, fraud prevention, KYC & AML and other topics of importance was imparted to employees and executives. Our employees are quite adept at the use of technology and could therefore adapt to the work from home scenario, when warranted.

Your Company has put in place a series of HR measures including promotions and appropriate reward schemes. Industrial relations in your Company continued to be cordial during the year.

During FY 20-21, no employee, other than the Managing Director who earns a remuneration of ₹12.5 Lakhs per month, was employed for a part of the year with a remuneration of ₹8.5 Lakh or more per month. The ratio of remuneration of each Director to the median of employees' remuneration and such other details as required under Sec 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 and 2016 are furnished below:

(i) Ratio of remuneration of each director to the median employees' remuneration for FY 2021

The ratio of the remuneration of Managing Director to the median remuneration of the employees (regular employees) of the Company for the FY 2020-21 was 18.72 : 1

The ratio of the remuneration of Dy. Managing Director to the median remuneration of the employees (regular employees) of the Company for the FY2020-21 was 4.79: 1

Non-executive Directors and Independent Directors are eligible for sitting fee only. The details of sitting

fee paid to the Directors for the meetings of Board and Committees are given in the `Report of Directors on Corporate Governance'.

(ii) Percentage increase in the remuneration of each Director and Key Managerial Personnel in FY 2021

The percentage increase in remuneration in the financial year for the Managing Director & CEO was NIL and that of the Deputy Managing Director was 30%. The other Key managerial personnel of the Company are the General Manager, the Chief Financial Officer and the Company Secretary and the percentage increase in their remuneration was 8.30%, 7.75% and 8.33% respectively.

(iii) Percentage increase in the median remuneration of employees in FY 2021

The total number of permanent employees of the Company were 756 as on March 31, 2021. Apart from the permanent employees, there were 131 employees on contract as on March 31, 2021.

The percentage increase in the median remuneration of employees in the financial year was 25.88%

(iv) Average percentile increase already made in salaries of employees other than managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration.

Average percentage increase in remuneration of the employees other than managerial personnel in the last financial year was 11.95% and that of Managerial remuneration was 5.38% during the period under review.

The average increase in the remuneration of both, the managerial and non-managerial personnel was determined based on the Annual Performance Evaluation and also based on the remuneration policy as recommended by the Nomination Remuneration & HR Committee of Directors and approved by the Board of Directors. There were no exceptional circumstances which warranted an increase in managerial remuneration which was not justified by the overall performance of the Company. The Company affirms that the remuneration is as per the remuneration policy of the Company.

(v) Prevention of Sexual Harassment of Women at the Workplace

The Company has a Policy on 'Prevention of Sexual Harassment of Women at Workplace' and matters connected therewith or incidental thereto covering all the aspects as contained under the Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013. During FY20–21 no cases of sexual harassment were reported.

The Company has in place "Equal Opportunity Policy" as per Section 21(1) of Rights of the Persons with Disabilities Act, 2018.

The Company has laid down a Code of Conduct for Prevention of Insider Trading, in accordance with the requirements under the Securities and Exchange Board of India (Prevention of Insider Trading) Regulations, 2015 and Companies Act, 2013, with a view to regulate trading in Securities of the Company by its directors, designated persons and employees. The same is made available on the website of the Company. For related link, please refer Annexure 7

(vi) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

It is affirmed that the remuneration paid is as per the Remuneration Policy, applicable for Directors, Key Managerial Personnel and other employees, adopted by the Company.

16. TRANSFER OF UNCLAIMED AND UNPAID DIVIDEND/ DEPOSIT AMOUNTS TO THE INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

In terms of section 124 and 125 of the Companies Act, 2013, the amounts (dividend, deposits etc., with interest) that remained unclaimed and unpaid for more than 7 years from the date they first became due for payment, should be transferred to IEPF. As an investor-friendly measure, your Company has been intimating the respective shareholders / depositors / investors to encash their dividend warrant/renew matured deposits or lodge their claim for payment of due, if any, from time to time and claims made are settled. As per the statutory requirements, the details of such amounts are made available on the website of MCA-IEPF as well as on the Company's website. In order to receive prompt payment of dividend, the members/ investors are requested to DEMAT the shares held in physical mode, register bank account particulars, opt for ECS facility, register nomination and intimate change of address, if any, to the Company/ Depository Participants promptly.

a) Unclaimed dividends

As at March 31, 2021, dividends aggregating to ₹185.52 Lakh (Previous year ₹173.02 Lakh) relating to dividends declared for the years FY13–14 to

FY19–20 (of which ₹32.43 Lakh related to dividend for the year 2020), had not been claimed by shareholders. As an investor friendly measure, your Company has intimated shareholders to lodge their claims and related particulars were provided in the annual reports each year as well as on the website of your Company. The dividend pertaining to 2012-13, which remained unclaimed/unpaid amounting to ₹ 13.28 Lakh (in respect of 2,222 shareholders), was transferred to IEPF on September 10, 2020, after the settlement of claims by members received in response to the individual reminder letters sent by your Company to the respective members. The dividend pertaining to 2013–14 remaining unclaimed and unpaid, amounting to ₹20.23 Lakh (in respect of 1,977 shareholders) as on March 31, 2021, would be transferred to IEPF during July 2021 after settlement of the claims received up to the date of completion of seven years i.e. on July 31, 2021.

The Company takes various initiatives to reduce the quantum of unclaimed dividend and has been periodically intimating the concerned shareholders, requesting them to encash their dividend before it becomes due for transfer to the IEPF.

b) Transfer of shares to IEPF Demat account

Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Amendment Rules, 2017 was notified by the Ministry of Corporate Affairs (MCA) on October 13, 2017. As per Rule 6 of the said Rules, the shares, in respect of which dividend amounts have not been paid or claimed for 7 consecutive years, are required to be transferred to 'IEPF demat Account' of IEPF Authority. On verification of records of unclaimed dividend amounts from 2006 to 2012, which have already been transferred to IEPF on lapse of 7 years (during 2013 to 2019 respectively), 7 shareholders had not claimed dividend for consecutive 7 years and their shares 4,000 Nos. have been transferred to IEPF demat account within the prescribed period and the details are provided on the website of the Company. For more details, please refer 'General Information to shareholders' in this report.

In terms of the above Rules, reminder letters were sent by the Company to all the shareholders who had not claimed their dividends for a consecutive period of 7 years, informing that their shares will be transferred to IEPF suspense account on the due date, September 03, 2021, if they do not place their claim for unclaimed dividend amounts before the Company. Your Company has provided the related details on its website (Investors page).

c) Unclaimed deposits

Deposits remaining unclaimed for a period of seven years from the date they became due for payment have to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government. The concerned depositor can claim the deposit from the IEPF. As required under Section 125 of the Companies Act, 2013, the unclaimed and unpaid deposits together with interest for the year 2012–13 amounting to ₹ 16.94 Lakh (previous year ₹ 0.60 Lakh) that remained unclaimed and unpaid for a period of 7 years were transferred to IEPF during the year under review.

17. PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND EXPENDITURE

During the year, your Company did not earn any income or incur any expenditure in foreign currency/exchange other than payment of Dividend 2020 to NRIs on repatriation basis to an extent of ₹14.50 Lakh through authorised dealers.

Since your Company is a Housing Finance Company and does not own any manufacturing facility, the requirement relating to providing the particulars relating to conservation of energy and technology absorption as per Sec 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules 2014, are not applicable. Also the Company does not use energy intensively. The Company is conscious of the importance of imbibing measures towards optimum energy utilisation and conservation. However, the Company as its responsibility towards the society, has taken measures towards optimum energy utilisation and conservation, like installation of Solar Power systems, Solar UPS and power saving lamps like LED lights instead of conventional CFL & Fluorescent lamps in some of its branches.

As a part of Save Green efforts and leverage of technology, a lot of paper work at branches and the Registered Office has been reduced (also refer para 5).

As a green initiative, the Company has started availing the services of 'Dess Digital Software' for sharing the soft copies of agenda papers pertaining to all the Board and Committee meetings, with the Directors and executives.

18 DIRECTORS & KEY MANAGERIAL PERSONNEL APPOINTMENTS/ RE- APPOINTMENTS:

The Board of Directors made the following appointments/ re-appointments based on the recommendations of the Nomination Remuneration & HR Committee on fit and proper criteria and performance evaluation of the Directors:

Shri Girish Kousgi was appointed as the Managing Director and CEO of the Company at the Annual General Meeting held on August 26, 2020 for a tenure of 5 years.

Shri Satish Kumar Kalra was appointed as an Independent Director at the Annual General Meeting held on August 26, 2020 for a tenure of 3 years up to the conclusion of the Annual General Meeting of the Company for the financial year 2022–23.

Smt Shubhalakshmi Panse was appointed as an Independent Director at the Annual General Meeting held on August 26, 2020 for a tenure of 3 years up to the conclusion of the Annual General Meeting of the Company for the financial year 2022–23.

Shri Lingam Venkata Prabhakar, MD & CEO of Canara Bank was appointed at the Annual General Meeting held on August 26, 2020 as a Director and Chairperson (Non-executive Promoter) liable to retire by rotation for a tenure upto December 31, 2022.

(1) Shri Amitabh Chatterjee has been appointed as an Additional Director (Executive Promoter) by the Board of Directors of the Company on July 15, 2021.

(2) Shri Ajai Kumar has been appointed as an Additional Director (Non-executive Independent) by the Board of Directors of the Company on July 31, 2021.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Shri Debashish Mukherjee is liable to retire by rotation at the ensuing AGM. He is eligible for re-appointment. The agenda relating to re-appointment of Shri Debashish Mukherjee as Director, Shri Amitabh Chatterjee as Director (Deputy Managing Director) and Shri Ajai Kumar as Director (Non-executive Independent) are included in the Notice of the ensuing Annual General Meeting and complete particulars of the Directors are provided in the Explanatory Statements forming part of the said Notice.

The directors had filed their consent(s) and declaration(s) that they are not disqualified to become directors in terms of the provisions of Companies Act, 2013 and related Rules. The directors have intimated to the Company that they are not holding any shares or taken any loan(s) from the Company. The agenda relating to appointments / re-appointments of Directors are provided in the Notice of the 34th Annual General Meeting of the Company seeking approval from the members. The particulars relating to the Directors and all other relevant information are provided in the explanatory statement(s) forming part of the said Notice for the information of members.

Brief profile of all the Directors are provided in page Nos. 22 to 25 of this Annual Report.

Key Managerial Personnel:

Shri Girish Kousgi (DIN-08524205) was appointed as the Managing Director & CEO and Key Managerial Personnel of the Company for a tenure of 5 (five) years from September 05, 2019 to September 04, 2024.

Shri Amitabh Chatterjee has been appointed as an Additional Director (Deputy Managing Director) and Key Managerial Personnel of the Company for a tenure of 3 (three) years (Executive Promoter) by the Board of Directors of the Company on July 15, 2021.

Resignation/Vacation of Office:

1. Shri S Subramanian (Chief General Manager, Canara Bank) has laid down his Office w.e.f. May 31, 2020 on attainment of superannuation. Consequently, he has tendered his resignation as Director (Non-executive Promoter Director) of the Company and hence ceased to be the director of the Company w.e.f. June 04, 2020.

2. The tenure of the Office of Smt Bharati Rao (DIN-01892516), the Non-Executive Independent Director and Chairperson of the Board was completed on conclusion of the 33rd Annual General Meeting of the Company held on August 26, 2020.

3. Shri Shreekant M Bhandiwad (DIN- 08120906), Deputy Managing Director (Whole Time Director & Key Managerial Personnel) of the Company has vacated office on completion of tenure on April 27, 2021.

Retirement by rotation and re-appointment:

In terms of Section 152 and all other applicable provisions of the Companies Act, 2013, and the Articles of Association of the Company, Shri Debashish Mukherjee, Director (Non- executive and Promoter), retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The agenda relating to

re-appointment of Shri Debashish Mukherjee forms part of the notice convening the ensuing Annual General Meeting and all other relevant information as per SEBI Regulations are provided in the explanatory statement.

All the appointments and re-appointments of Directors are made by the Board of Directors on the recommendations of the Nomination Remuneration & HR Committee on fit and proper criteria and also based on the performance evaluation of the Directors.

All the appointments and re-appointments mentioned above, which form part of the Notice of the ensuing Annual General Meeting of the Company, are recommended by your Directors to the members for appointment/re-appointment/approval.

19. MEETINGS OF THE BOARD

During the Financial year 2020–21, ten meetings of the Board of Directors were held and the related details, including that of various committees constituted by the Board, are made available in the Report of Directors on Corporate Governance forming part of this annual report placed before the members. Your Company has complied with all the requirements as applicable under Companies Act, 2013 and related rules, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also HFCs Corporate Governance (NHB) Directions, 2016 (now part of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021), in relation to the Board of Directors and the Committees of the Board.

Committees of the Board:

Currently the Board has seven Committees viz. the Audit Committee, the Nomination, Remuneration & HR Committee, the Corporate Social Responsibility Committee, the Stakeholders Relationship Committee, the Risk Management Committee, the Management Committee and the IT Strategy Committee.

A detailed note on the composition of the Board and its Committees and other related particulars are provided in the Report of Directors on Corporate Governance forming part of this Annual Report.

20. DIRECTORS' RESPONSIBILITY STATEMENT

In accordance with the provisions of section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 and based on the information provided by the management and review of the draft statement by the Audit Committee, the Board of Directors confirm/ state that-

a) In the preparation of the annual accounts for the year ended on March 31, 2021, the applicable accounting standards have been followed and there are no material departures;

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the financial year ended on March 31, 2021 and of the profit of the Company for that period;

c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The Directors had prepared the annual accounts on an ongoing concern basis;

e) This being a listed Company, the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively and

f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Declaration by Independent Directors:

The Independent Directors have given declarations to the Company in terms of Section 149(7) and 149(8) of the Companies Act, 2013 and Regulation 25(8) of SEBI (LODR) Regulations, 2015 that they meet the criteria of independence as provided in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR), 2015. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

All the Independent Directors of the Company are persons of integrity, expertise and experience and have obtained certificates from the Institute notified under Section 150(1) of the Act, either by completing the online proficiency self-assessment test or by way of exemptions from taking the tests. Since they were Directors for more than 10 years from the date specified.

Code of Conduct:

In terms of Regulation 26(3) of the SEBI (LODR) Regulations, 2015, all the members of the Board and Senior Management Personnel have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the FY20–21. As required under Schedule V (D) of the said Regulations, a declaration signed by the Managing Director & Chief Executive Officer of the Company stating that the members of the Board and the Senior Management Personnel have affirmed compliance of their respective Codes of Conduct, is an Annexure to Corporate Governance Report.

21. NOMINATION REMUNERATION AND HR (NRC) POLICY

Your Company has constituted a `Nomination Remuneration and HR Committee (NRC)' of the Board in terms of Section 178 of the Act, Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Para 3(II) of NHB Corporate Governance (National Housing Bank) Directions, 2016. This Committee identifies persons who are qualified to become Directors of the Company. The appointment, renewal, reappointment, re-categorisation and/ or removal of the Directors so identified, including extension or continuation of the term of appointment, will be recommended by the NRC to the Board. This Committee has also laid down the criteria to identify persons who may be appointed to the senior management of the Company. The NRC has formulated the criteria for determining qualifications, positive attributes and independence of a Director, carrying out evaluation of every Director's performance, performance of the Board and that of the Committees. The NRC Policy of the Company covering all the above aspects is made available on the official website of the Company at https://www.canfinhomes.com/ pdf/ Nomination-Remuneration-and-HR-Policy-120419.pdf, in terms of Section 134(3) of the Companies Act, 2013. The Board ensures the annual evaluation of the performance of the Board, its Committees and of its individual directors through the meeting of independent directors, the NRC and evaluation by each of the directors independently.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

Your Company constituted a Corporate Social Responsibility (CSR) Committee of the Board as prescribed under Section 135 of the Companies Act 2013 and has put the CSR policy in place. The Company has focused in Promoting education including special education, Construction of class room blocks for Government schools, procurement of tabs and construction/renovation of Toilets, Safety Grill work, water filters, sanitary pad vending machines to Government schools, renovation of anganwadis, Scholarships for under privileged, Scholarships for girl child education, Scholarships for higher education for special and disabled students. The Company also focuses on healthcare by donating advanced medical equipment to Hospitals during Covid-19 pandemic. Company has also donated three ambulances to three government Hospitals. Company has supported for Construction of Fitness cum sports centre for tribal students. Company has also contributed for nutritional expenses, Procurement of basic Fixed assets for old age homes, orphanages and residential homes for differently abled people. Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES) and Karnataka State Disaster management Authority during COVID-19 pandemic to provide relief to those affected by any kind of emergency or distress situation like COVID19 also forms part of its CSR activities.

The activities undertaken by the Company under CSR is Pan India basis and the projects are executed by Registered Office and our branches in those areas. The total amount/ budget under CSR for the FY 2020–21 was ₹1281 lakh, (including ₹317 lakh of previous year), out of which, total amount spent under the CSR activities is ₹1108 lakh. The balance amount of ₹173 Lakh is already sanctioned and will be transferred to Unspent CSR Account as per provisions of Companies Act and will be disbursed as per the progress of the work. A summary of CSR activities as on March 31, 2021 is given below:

Sl No.	Activities undertaken	No. of Projects	Rupees in Lakh
1	Construction/ repair & renovation of Schools/ Hostels/Hospitals	7	187.22
2	Desks & Benches/ Tables/ Almirah/ Green Board/ Chairs/Bags/ Books etc.	2	6.19
3	Drinking water facility/ supply of other articles of necessity etc.	2	2.39
4	Scholarship	8	77.82
5	Medical Equipment to Hospitals	20	289.24
6	Welfare measures for differently abled ,old, homeless/Equipment to old age homes	7	23.71
7	Disaster Management	2	500.00
8	Promoting Tribal Sports	1	21.00
	Total	**49**	**1107.57**

The Annual Report on CSR activities including brief contents are provided as Annexure-2 to this report.

23. RISK MANAGEMENT POLICY

The Company has a structured Group Risk Management Framework, designed to identify, assess and mitigate risks appropriately. Your Company has constituted a Risk Management Committee with four directors, Chief Risk Officer (CRO), Chief Compliance Officer (CCO) and two senior executives of the Company. In terms of Section 134(3)(n) of the Act, your directors wish to state that your Company has adhered to the Risk Management Policy. The above policy was reviewed during the year. For web link please refer Annexure 5.

24. AUDIT AND INTERNAL CONTROL

Your Company strengthened existing internal control systems for reviews at periodical intervals and introduced measures for minimising operational risks commensurate with the nature of its business and size of operations. Further, your Company has reviewed delegation of authorities and streamlined standard operating procedures for all areas of its business/ operations/ functions, strengthened the Offsite Transaction Monitoring System (OTMS) to track transactions/ early-warning signals across all branches by introducing innovative monitoring tools. The National Housing Bank conducts inspection of your Company on an annual basis. During the year, the NHB conducted regular inspection of your Company during Nov-2020 for the position as at March 31, 2020. The compliance on the observations were submitted within the prescribed time to the NHB, which were reviewed by the Audit Committee and the Board.

Your Company has also put in place a well- defined policy on Risk Based Internal Audit (RBIA) and as per the said policy, 186 branches and 4 CPCs were audited in the FY 20–21. Apart from the RBIA, considering the volume of business, 132 branches were also subjected to quarterly/ half yearly internal audit by appointed audit firms. During the year, 19 loan accounts pertaining to 6 branches, amounting to ₹ 370.39 lakhs have been suspected to be fraudulent and have been reported to the authorities/ regulators. The Audit Committee reviewed the audit reports/remarks/ observations and replies/ compliances including the compliance of KYC norms.

Regular inspection and IS audit of your Company for review period August 01, 2018 to August 31, 2020 was conducted by Canara Bank. The compliance on the

observations were submitted which were reviewed by the Audit Committee and the Board. Management Audit by Canara Bank was conducted during February-2021 for the review period August 01, 2018 to August 31, 2020.

Reporting of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or to the Board as required under Section 143(12) of the Act and the rules made thereunder.

25. SECRETARIAL AUDIT & SECRETARIAL COMPLIANCE

As required under section 204 of the Companies Act, 2013 and Rules thereof, the Board appointed M/s Kedarnath & Associates, Practising Company Secretaries, for conducting the 'Secretarial Audit' of the Company and for submission of the Annual Compliance Report for the financial year 2020–21. The Secretarial Audit for FY 20–21 was conducted as required u/s.204 of the Companies Act 2013, Regulation 24A of SEBI(LODR) Regulation 2015 and SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, by Shri S. Kedarnath, FCS, Practising Company Secretary and his team. The report does not contain any qualification, reservation or adverse remarks. The Secretarial Audit Report issued by the Practising Company Secretaries is enclosed to the Report of Directors (Annexure 1) in terms of Section 134(3)(f) read with Section 204(1) of the Act.

In addition to the Secretarial Audit Report, Secretarial Compliance Report has also been issued by the PCS as per the SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 02, 2019, and the said report has been submitted to the Stock Exchanges.

Secretarial Standards

The Company complies with the mandatory Secretarial Standards i.e. SS-1 and SS-2 issued by the Institute of Company Secretaries of India and has referred to Secretarial Standards SS-3 and SS-4 for good governance.

Loans, Guarantees or Investments:

There are no particulars of loans, guarantees or investments made during the year in terms of Section 186(1) and 186(2) of the Act requiring disclosure to be made in the report of Directors as required under Section 134(3)(g) of the Act. In terms of Section 186(11) (a) the requirement relating to the disclosure is not applicable to a loan made, guarantee given or security provided by a Housing Finance Company.

Since the Company is a NBFC-HFC, the disclosures regarding particulars of the loans given, guarantees given and securities provided is exempt under the provisions of Section 186 (11) of the Companies Act, 2013. As regards investments made by the Company, the details of the same are provided in notes to the financial statements of the Company for the year ended March 31, 2021 (note 10).

Related Party Transactions:

The particulars of contracts or arrangements with the 'Related Parties' referred to in sub-section (1) of Section 188 of the Act are furnished in Note No.43 of the Notes forming part of the financial statements for FY20–21, forming a part of the Annual Report. The particulars of Related Party Transactions as required u/s sec 134(3)(h) in the prescribed format (AOC-2) is attached to this Report as Annexure-3.

26. STATUTORY AUDITORS

The Company's current Statutory Auditors M/s Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) were appointed as Statutory Auditors of the Company, to hold office for a period of five consecutive years from the conclusion of the 30th Annual General Meeting for a tenure up to the conclusion of the 35th Annual General Meeting to be held for the Financial Year 2021–22.

Pursuant to the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) dated April 27, 2021 issued by the Reserve Bank of India ('RBI Guidelines'), the Company may appoint the SCAs/SAs for a continuous period of three years, subject to satisfaction of eligibility norms and independence criteria prescribed.

Since M/s Varma & Varma, Chartered Accountants (Firm Regis. No: 004532S) have completed four years of continuous audit, as per the above RBI circular, they will be ineligible to continue as Statutory Auditors of the Company beyond September 30, 2021.

Further, the RBI Guidelines mandate that for Companies with asset size of ₹ 15,000 crore and above as at the end of previous year, the statutory audit should be conducted under joint audit of a minimum of two audit firms. Accordingly, the Company needs to appoint minimum of two joint statutory auditors.

Accordingly, the Board of Directors, on the recommendation of the Audit Committee, has finalized and recommended to shareholders for approval, the name of M/s. B Srinivasa Rao & Co (Registration No.:

008763S) and M/s. B K Ramadhyani & Co. LLP, Chartered Accountants (Registration No.: 002878S/S200021) to act as joint Statutory Central Auditors of the Company for a period of three years from FY 2021-22 till FY 2023-24, subject to approval of the shareholders at the ensuing AGM. Appropriate resolutions in this regard are also being proposed at the ensuing AGM.

The auditors' report for the FY 2020-21 annexed to the financial statement for the year under review does not contain any qualifications.

27. COST RECORDS AND COST AUDIT

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Companies Act, 2013 are not applicable for the business activities carried out by the Company.

28. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

In terms of Regulation 34(2) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report forms part of this Annual Report.

29. CORPORATE GOVERNANCE

As required under the Companies Act, 2013, Regulation 34 read with Schedule V of the SEBI (LODR) Regulations, 2015 and Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016, the 'Report of Directors on Corporate Governance' for the year FY20-21 is placed in this Annual Report.

The said Report covers in detail the Corporate Governance Philosophy of the Company, Board Diversity, Directors appointment and remuneration, declaration by Independent Directors, Board evaluation, familiarisation programme, vigil mechanism etc. The Auditors Certificate on Corporate Governance is provided with this report as Annexure-4.

Business Responsibility Report:

The SEBI (LODR) Regulations, 2015, mandates inclusion of Business Responsibility Report (BRR) in the prescribed format, as a part of the Annual Report for top 1000 listed entities based on the market capitalisation. In compliance with the said Regulations, the BRR is provided as a part of this Report as Annexure 5.

Board Evaluation:

The Board of Directors has carried out an annual evaluation of its own performance, board committees, and individual directors pursuant to the provisions of the Act and SEBI Listing Regulations. In terms of Regulation 17(10) of the SEBI (LODR) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/ CMD/ CIR/P/2017/004 dated January 05, 2017, your Company has put in place the 'Board and Director's Evaluation Policy' laying down a framework for evaluation of the Board, its Committees and of the individual directors with defined attributes for evaluation. The Board has evaluated the performance of the independent directors including their criteria of independence as specified in the said regulations and their independence from the management. The directors who were subject to evaluation did not participate in their own evaluation. The results of the evaluation exercise were shared with the Board in subsequent Board Meeting(s).

30. SAVE GREEN EFFORTS & RESPONSIBILITY TOWARDS SOCIETY

In recognition and support to the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India, your Company is sending AGM notices, annual reports, correspondence with the stakeholders etc. to the respective e-mail IDs of stakeholders. To facilitate paperless banking, initiatives taken by your Company include ECS / NACH facility for repayment of loans, streamlining the systems and procedures for reporting by the branches and at the Registered Office through Integrated Business Suite (IBS), networking of branches with the Registered Office, harnessing solar energy for lighting and computer operations in 16 branches. The digital storage of data is being increasingly adopted and therefore, the usage of paper is curtailed to the minimum.

As in the previous years, we continue to publish only the statutory disclosures in the print version of the Annual Report. Electronic copies of the Annual Report, Annual General Meeting Notices, and such other notices are being sent to all members whose e-mail addresses are registered with the Company/ Depository participants. Further as per MCA circular dated 13/04/2020 notices for the General meeting may be given only through e-mails registered with the Company/DP/RTA. As per SEBI Circular SEBI/HO/CFD/CMD1/ CIR/P/2020/79 dated 12/05/2020, the requirements of Reg.36 (1)(b) and (c) and Reg.58 (1)(b) &(c) of the LODR are dispensed with for listed entities who conduct their AGMs during the calendar year 2020 (i.e. till 31/12/2020). Accordingly, the Company conducted the AGM through VC/OAVM facility. Further, MCA General Circular No. 02/2021 dated

January 13, 2021 and SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15,2021 has further extended relaxations to companies to conduct their AGMs through Video Conferencing (VC) or through other audio-visual means (OAVM) till 31/12/2021.

[Regulation 36 (1)(b) and (c) of the LODR prescribes that a listed entity shall send a hard copy of the statement containing salient features of all the documents, as prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses and hard copies of full annual reports to those shareholders, who request for the same, respectively. Regulation 58 (1)(b) &(c) of the LODR extend similar requirements to entities which have listed their NCDs and CPs.

Through our CSR activities in the field of healthcare, education and empowerment of the downtrodden, we have strived to improve the lives of lakhs of our country men, women and children. We have sanctioned ₹ 10.47 Crore for FY 2020–21 and spent ₹ 11.08 Crore (₹9.05 crore from FY 2020–21 and ₹2.03 Crore from Previous Years) towards various activities which have been detailed in point no.23 of this report.

31. OUTLOOK FOR 2021–22

The country is trying to tackle Covid-19 and the vaccination drive is expected to ease the situation soon.

With gradual lifting of lockdown measures and reopening of economy, the housing finance activity is on the trajectory of revival. Distinct signs of green shoots in housing finance sector was witnessed after the slump in April and May and improved credit offtake from HFCs is observed.

Various schemes launched and introduced by the Government are anticipated to act as catalysts for revival of the economy and for giving a thrust to the real estate market.

As done in the past, your company is committed to maintain high level of standards in all the business conducted in the normal course.

With change in pricing strategy, the ROI on loans was reduced several times during the fiscal and margin of difference between bank rates and our rates has reduced and is bound to help us increase volumes.

Our focus on lending to the salaried class will continue. Your Company will concentrate on lending for the Affordable and mid-segment Housing. Qualitative growth and thrust on collections will be an on-going exercise and will strengthen our resolve to maintain good Asset Quality.

The cost of funds will be monitored continuously to enhance profitability. Your Company will continue to focus on growth, profitability, asset quality and liquidity.

32. APPRECIATIONS

Your Directors would like to thank Canara Bank, the promoter, for their continuous support.

Your Directors would like to acknowledge the role of all its stakeholders viz., shareholders, debenture holders, CP holders, depositors, bankers, lenders, borrowers, merchant bankers, insurance partners, Statutory and Branch Auditors, Secretarial Auditors, panel advocates, panel valuers, agents and all others for their continuous support to your Company and the confidence and faith that they have always reposed.

Your Directors acknowledge and appreciate the guidance and support extended by all the Regulatory authorities including National Housing Bank (NHB), Reserve Bank of India (RBI), Insurance Regulatory and Development Authority of India (IRDAI), Securities Exchange Board of India (SEBI), Ministry of Corporate Affairs (MCA), Registrar of Companies, Karnataka, Stock Exchanges, NSDL and CDSL.

Your Directors thank the Rating Agencies, viz. ICRA, CARE, India Ratings & Research Ltd., (FITCH), the Registrars & Share Transfer Agents, Debenture Trustees and Trustees of public deposits of your Company, Government(s), local/ statutory authorities, and all others for their whole-hearted support during the year and look forward to their continued support in the years ahead.

The Directors mourn the loss of lives of two employees due to COVID-19 pandemic, are deeply grateful and have immense respect for all persons who risked their lives and safety to fight this pandemic.

Your Directors value the professionalism of all the employees who have proved themselves in a challenging environment and whose efforts have stood the Company in good stead and taken it to present level.

For and on behalf of the Board of Directors

Sd/-
Venkata Prabhakar
Chairperson

Place: Bengaluru
Date : July 31, 2021

Annexure 1

SECRETARIAL AUDIT REPORT

(FORM NO. MR-3)

(FOR THE FINANCIAL YEAR ENDED 31st MARCH 2021)

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
CAN FIN HOMES LIMITED,
Bengaluru-560004

We have conducted the Secretarial Audit of the compliance of the applicable statutory provisions and the adherence to good corporate practices by CAN FIN HOMES LIMITED (CIN: L85110KA1987PLC008699) (hereinafter called 'the Company') having its Registered Office at No 29/1 , Sir M N Krishna Rao Road, Near Lalbagh West Gate, Basavanagudi, Bengaluru 560004.

Secretarial Audit was conducted in a manner that provided us the reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minutes books, forms and returns filed, other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion the Company has, during the audit period covering the Financial year ended on March 31, 2021 , complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the Company for the Financial Year ended on 31st March, 2021, according to the provisions of:

I. The Companies Act, 2013 (the Act) and the Rules made there under;

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct investment, Overseas Direct Investments and External Commercial Borrowing.

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2015;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 "(LODR Regulations)" including the requirements with regard to the disclosure of information on Company's website and other disclosure and reporting requirements to the Stock Exchanges during the Financial Year;

d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended till date;

e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 as amended tlll date;

f) The Depositories Act, 1996 and the regulations and Byelaws framed thereunder;

g) The SEBI (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

There were no occasions during the financial year requiring specific compliance under the provisions of the following Regulations and Guidelines:-

h) The Securities and Exchange Board of India (Share Based Employees Benefits) Regulations ,2014, as amended till date;

i) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021,

j) The Securities and Exchange Board of Indla (Buyback of Securities) Regulations,2013, as amended till date; and

k) The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

VI. We further report that based on the information and explanations received including the Industry Specific Laws as applicable to the Company and also based on the records maintained, the Company has, in our opinion, complied with the provisions of:

I. Industry Specific Laws

1. The National Housing Bank Act, 1987
2. The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.
3. Housing Finance Companies issuance of non-convertible Debentures on private placement basis (NHB), Directions 2014,
4. Housing Finance Companies – Auditor's Report (National Housing Bank) Directions, 2016.
5. Housing Finance Companies – Approval of Acquisition or Transfer of Control (National Housing Bank) Directions, 2016.
6. Housing Finance Companies-Corporate Governance (National Housing Bank), Directions, 2016.
7. RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 w.e.f . 17/02/2021.
8. Guidelines and circulars issued under the National Housing Bank Act, 1987 from time to time.
9. FIMMDA operational Guidelines (RBI) for Commercial Papers.
10. Guidelines on Fair Practices Code for HFCs issued by NHB

II. General Laws

1. Industrial and Labour laws as applicable to the Company
2. The Factories Act, 1948
3. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
4. Trademarks and Patent
5. Transfer of Property Act, 1882
6. The Indian Stamp Act, 1899

We also report that the Company has developed and implemented adequate systems and processes which are in place to monitor and ensure compliances with the General Laws mentioned above and the same is commensurate with its size and extent of operations, to effectively ensure compliance with applicable laws, rules, regulations and guidelines.

VII. We have also examined compliance with respect to:

(i) The Secretarial Standards SS-1 and SS-2 issued by the ICSI and as notifled by the Ministry of Corporate Affairs and report that the Company has generally complied with the said Standards.

(ii) The Listing Agreement/s entered into by the Company with the BSE Limited and the National Stock Exchange of India Limited (NSE) and report that the Company has complied with the same.

VIII. We further report that during the said Financial Year, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned in the foregoing paragraphs.

IX. We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the Composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all the Directors to schedule the Board/committee Meetings, agenda and detailed notes on agenda was sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Sub committees of Board were reconstituted during the financial year by following necessary provisions governing the same. Majority decisions were carried through by the Board at its meetings and minutes

of meetings are self-explanatory with regard to dissenting member's views, if any.

There are also processes and adequate procedures in place for minimizing exposure to risks which may threaten the very existence of the company. The company has generally complied with the requirements of the provisions governing corporate Social Responsibility.

X. We further report that during the Financial Year there were significant events/actions' having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations' guidelines, standards and the same are as follows:

The Company has issued 2750 (Two Thousand Seven hundred and Fifty only) Non-Convertible Debentures of ₹ 10,00,000 (Rupees Ten Lakhs) each aggregating to ₹ 275,00,00,000/- (Rupees Two hundred and seventy-five crores only) by Private Placement.

We further report that during financial year under report:

NHB vide its letter dated October 15, 2020 imposed a penalty of ₹5,000/-plus GST on account of non compliance with respect to the provisions of its Policy Circular No 21. The Company was supposed to maintain SLR investments to the extent of 13% of its outstanding public deposits and create floating charge on the same. The Company had maintained SLR investment to the extent of 14.65% during 2018–19. However, there was a shortfall of 0.59% in the charge created. Hence, the Company had represented the matter before NHB and paid the penalty amount of ₹5,900 (including GST) under protest on October 27, 2020.

For **S. KEDARNATH & ASSOCIATES**

Sd/-
S.Kedarnath
Company Secretary
FCS No. 3031, CP No. 4422
UDIN No: F003031 C000516181

Place: Bengaluru
Date: June 25, 2021

Note: This report is to be read with our letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

ANNEXURE-A'

To,
The Members,
CAN FIN HOMES LIMITED,
Bengaluru-560004

Our report (2020–21) of even date is to be read along with this letter.

1. Secretarial Audit was conducted using Information Technology tools and on a random test check basis which was necessitated in view of the prevailing COVID-19 circumstances and in compliance of directions of the State Government and as per Para 3 of the ICSI Guidance dated 4th May 2020.

2. This Secretarial Audit Report is digitally signed.

3. Maintenance of secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

4. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

5. We have not verified the correctness and appropriateness of any of the financial records and Books of Accounts of the company including the records pertaining to Goods and Service Taxes, Income Tax, Customs and other related enactments applicable to the Company.

6. Wherever required, we have obtained Management Representation about the compliance of laws, rules and regulations and happening of events etc.

7. The Secretarial Audit report is neither an assurance as to the future viabillty of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

For **S. KEDARNATH & ASSOCIATES**

Sd/-
S.Kedarnath
Company Secretary
FCS No. 3031, CP No. 4422
UDIN No: F003031 C000516181

Place: Bengaluru
Date: June 25, 2021

SECRETARIAL COMPLIANCE REPORT

SECRETARIAL COMPLIANCE REPORT OF CAN FIN HOMES LIMITED FOR THE YEAR ENDED MARCH 31, 2021

[Pursuant to Circular CIR/CFD/CMD1/27/2019 dated February 08,2019 for the purpose of compliance with Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, S. Kedarnath, Company Secretary (CP- 4422) have examined:

I. All documents and records made available to us and explanations provided by M/s CAN FIN HOMES LIMITED (CIN: L85110KA1987PLCOO8699) (,'the Company"),

   a) the filings/ submissions made by the company to the stock exchanges,

   b) website of the Company,

   c) any other document/filing, as may be relevant, which has been relied upon to make this certification.

   – for the year ended 31st March, 2021 in respect of compliance with the provisions of:

      a) the Securities and Exchange Board of India Act, 1992 ("SEB Act") and the Regulations, circulars, guidelines issued thereunder; and

      b) the Securities Contracts (Regulation) Act, 1956 ("SCRA"), Rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

II. The specific Regulations, whose provisions and the circulars/guidelines issued thereunder, have been examined, include:-

   (a) Securities and Exchange Board of India (Listing Obligations and Disclosure requirements) Regulations,2015;

   (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,20l8; Not Applicable for the Financial year 2020–21.

   (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not Applicable for the Financial year 2020–21;

   (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not Applicable for the Financial year 2020–21;

   (f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

   (g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations,2013; Not Applicable for the Financial year 2020–21;

   (h) Securities and Exchange Board of India (Prohibitlon of Insider Trading) Regulations ,2015',

   (i) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2006;

   (j) The Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2021 as amended till date; Not Applicable for the Financial year 2020–21.

Based on the above examination, we hereby report that, during the Review Period:

(a) As may be applicable during the financial year, the Company, has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder.

(b) The Company has maintained proper records under the applicable provisions of the above Regulations and circulars/guidelines issued there under in so far as it appears from our examination of those records.

(c) There were no actions taken against the Company/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/ guidelines issued thereunder.

(d) The Company has taken the following actions to comply with the observations made in previous reports

Sr. No.	Observations of Practicing Company Secretary in the Previous reports (2019–20)	Observations made in the Secretarial Compliance Report for the year ended (2020–21)	Actions taken by the listed enitity, if any.	Comments of Practicing Company Secretary on actions taken by the Company
01		Not Applicable.		

For **S. KEDARNATH & ASSOCIATES**

Sd/-
S.Kedarnath
Company Secretary
FCS No. 3031, CP No. 4422
UDIN No: F003031 C000516038

Place: Bengaluru
Date: June 25, 2021

Annexure-II

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Brief outline on CSR Policy of the Company

Can Fin Homes Ltd. Corporate Social Responsibility (CSR) policy is broadly based on National voluntary guidelines on social, environmental and economic responsibilities of business released by the Ministry of Corporate Affairs, SEBI guidelines on Business Responsibility Reporting, Companies Act 2013 and ethos of our Sponsor, Canara Bank.

The objective of Can Fin Homes Ltd. CSR policy is to promote socio economic development in rural areas, improve education, eradicate extreme hunger, poverty, promote gender equality, empowering women, reducing child mortality, improving maternal health, health care, sanitization, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, promoting and protecting natural heritage, culture, such other matters of common good, contribution to the prime Ministers National relief fund or any other fund set up by Central Govt. or State Govt. for social economic development, relief and rehabilitation of persons effected by natural calamities, funds for the welfare of schedule Caste and Schedule Tribes and other backward classes, minority and women.

Promotion and Financing any other activities to be advised by the Govt. or approved by the Board from time to time.

Promote eligible Trusts and Societies and/or encourage eligible trusts and societies or other implementing agencies, registered under section 8 of the Companies Act, who are engaged in promoting the above objectives solely with our company or jointly with any other companies.

The CSR Committee of the Board shall formulate and recommend CSR policy to the Board, indicating the activities to be undertaken under CSR policy which is in tune with the Schedule VII of the Companies Act, 2013. The Committee shall also review the CSR policy from time to time / once in a year or such other periodical intervals as may be required.

2. Composition of CSR Committee

Sl No.	Name of Director	Designation /Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	LV Prabhakar	Chairperson	3	3
2.	Girish Kousgi	Member	3	3
3.	G Naganathan	Member	3	3
4.	SM Bhandiwad -General Manager (On Deputation)	Member	3	3

3. Weblink where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company.

Composition of the CSR committee shared above and is available on the Company's website- https://www.canfinhomes.com/board-committees.aspx

CSR Policy-https://www.canfinhomes.com/pdf/CSR-Policy-2020-21.pdf

CSR projects-https://www.canfinhomes.com/csr.aspx

4. Details of Impact assessment of CSR projects carried out in pursuance of sub rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (Report attached).

Can Fin Homes Ltd has been conducting internal impact assessments to monitor and evaluate its strategic CSR programs. The Company takes cognizance of sub-rule (3) of rule 8 of the Companies CSR Policy, Rules 2014 and has initiated steps to conduct impact assessment of CSR projects through an independent agency. There are no projects undertaken or completed after January 22, 2021, for which the impact assessment report is applicable in FY 2021.

5. Details of the amount available for set off in pursuance of sub rule (3) of rule 7 of the Companies (Corporate Social responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl No.	Financial Year	Amount available for setoff from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
1.	-	NIL	NIL

6. Average net profit of the company as per section 135(5) – ₹481.95 Cr

7. (a) Two percent of average net profit of the company as per section 135(5) – ₹9.64 Cr

(b) Surplus arising out of the CSR projects or program or activities of the previous financial years. – ₹ 3.17 Cr

(c) Amount required to be set off for the financial year, if any – NA

(d) Total CSR obligation for the financial year (7a+7b+7c) – ₹12.81 Cr

8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
11,07,57,935	1,42,92,500 *30 lakhs spent in april21	29-04-2021	NA	NA	NA

(b) Details of CSR amount spent against ongoing projects for the financial year:

Sl No.	Name of the Project	Item from the list of activities in schedule VII of the act	local area Yes/ No)	location of the project	project duration (in days)	Amount allocated for the project(in RS.)	Amount spent in the current FY (in ₹)	Amount Transferred to unspent CSR account for the project as per section 135(6)	Mode of implementation -Direct (yes/no)	Mode of Implementation through implementing agency(Name and CSR Registration number)
1	Canara bank Relief and welfare society, Bengaluru.	Healthcare	Yes	Bengaluru, Karnataka	365	4962751	419514	767611	Yes	NA
2	Akkur hosahalli School, Ramanagara.	Promoting Education	No	Ramanagara, Karnataka	365	229315	129315	100000	Yes	NA
3	Riya Foundation, Mangalore.	Welfare Measure	No	Mangalore, Karnataka	182	750000	333037	0.00	Yes	NA
4	Government lower Primary School, Nyanappanahalli, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	36462	0.00	36462	Yes	NA
5	Government lower Primary School, Elenahalli, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	39530	0.00	39530	Yes	NA
6	Government Higher Primary School, Arikere, Bengaluru and Government Higher Primary School, Devarachikkanahalli, Bengaluru	Promoting Education	Yes	Bengaluru, Karnataka	182	396176	0.00	396176	Yes	NA
7	Government Hospital, Virajpet, Kodagu.	Healthcare	NO	Kodagu, Karnataka	182	741870	0.00	741870	Yes	NA
8	Parivaar Education Society, Sandalpur, MP	Promoting Education	No	Sandalpur, Madhya Pradesh	365	10757200	8605760	2151440	Yes	NA
9	Arikere Government School, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	174758	0.00	0.00	Yes	NA
10	Lions Club, ChandraLayout, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	507333	174640	288662	No	Lions Club, Chandra Layout
11	Government Model Primary School, Begur, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	601120	0.00	448813	Yes	NA
12	Government Model Primary School, Nekaarara Colony, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	269258	0.00	269258	Yes	NA
13	Government lower Primary School, Nyanappanahalli, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	169903	0.00	169903	Yes	NA
14	Government High School, Eggaluru, Channapatna, Ramanagara.	Promoting Education	No	Ramanagara, Karnataka	182	49560	0.00	49560	Yes	NA
15	Government Higher Primary School, Ambadahalli, Channapatna, Ramanagara.	Promoting Education	No	Ramanagara, Karnataka	182	93960	0.00	93960	Yes	NA
16	AkkurHosahalli High School, Channapatna, Ramanagara.	Promoting Education	No	Ramanagara, Karnataka	365	1021200	0.00	1021200	Yes	NA

Sl No.	Name of the Project	Item from the list of activities in schedule VII of the act	local area Yes/ No)	location of the project	project duration (in days)	Amount allocated for the project(in RS.)	Amount spent in the current FY (in ₹)	Amount Transferred to unspent CSR account for the project as per section 135(6)	Mode of implementation -Direct (yes/no)	Mode of Implementation through implementing agency(Name and CSR Registration number)
17	Sollepuradoddi Village, JiganiHobli, AnekalTaluk, Bengaluru.	Welfare Measure	Yes	Bengaluru, Karnataka	182	1149600	0.00	1149600	Yes	NA
18	Government Higher primary School, Chikkalasandra, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	60481	0.00	60481	Yes	NA
19	Government lower primary school Sollepuradoddi village, Jigani Hobli, AnekalTaluk, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	499713	0.00	499713	Yes	NA
20	Canara Bank Jubilee Education Fund, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	250000	0.00	250000	Yes	NA
21	Primary Health Center under Health, Medical and family welfare Department, Kadapa.	Healthcare	No	Kadapa, Andhra Pradesh	182	275000	0.00	275000	Yes	NA
22	Lions Club, Chandra Layout ,Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	518020	0.00	518020	No	Lions Club, Chandra Layout
23	Gandhi Hospital, Hyderabad.	Healthcare	No	Hyderabad, Telangana	182	1001836	0.00	1001836	Yes	NA
24	Rotary Indiranagar, Bengaluru.	Promoting Education	Yes	Bengaluru, Karnataka	182	1000000	0.00	500000	No	Rotary Indiranagar, Bengaluru
25	CRY Organisation.	Promoting Education	Yes	Bengaluru, Karnataka	182	1000000	0.00	0.00	NO	Cry – CSR00000805
26	Sharanu Basava Ashreya Dhama old age Home run by Sri Veerabhadra Charitable Trust.	Welfare Measure	NO	Hubli, Karnataka	182	450000	0.00	450000	Yes	NA
27	Antharaganga mentally challenged children residential school, Kolar.	Welfare Measure	No	Kolar, Karnataka	182	600000	0.00	0.00	Yes	NA
28	Just Jute Products-General Public	Environmental Sustainability	yes	Bengaluru, Karnataka	182	41120	0.00	32925	Yes	NA
	Total						**13437892**	**11312020**		

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sl No.	Name of the Project	Item from the list of activities in schedule VII of the act	local area Yes/ No)	location of the project	Amount spent for the project (in ₹)	Mode of implementation (-Direct (yes/ no)	Mode of Implementation through implementing agency (Name and CSR Registration number)
1	Mandya Institute of Medical Sciences,Mandya.	Healthcare	No	Mandya, Karnataka	279450	yes	
2	LalaLajpat Rai memorial medical college and associated SardarVallabhbhai Patel hospital,Meerut.	Healthcare	No	Meerut, Uttar Pradesh	953721	yes	
3	Government general hospital,Yelahanka,Bengaluru.	Healthcare	Yes	Bengaluru, Karnataka	285600	yes	
4	Government general hospital,Kakinada.	Healthcare	No	Kakinada, Andhra Pradesh	879200	yes	
5	Karnataka Institute of Medical Sciences,KIMS,Hubli.	Healthcare	No	Hubli, karnataka	572920	yes	
6	Government Chest Hospital, Visakhapatnam.	Healthcare	No	Visakhapatnam, Andhra pradesh	563715	yes	
7	Arpitha Charitable Trust,Ramanagara.	welfare Measures	No	Ramanagara, Karnataka	447000	yes	
8	Government Hospital,Tambaram.	Healthcare	No	Tambaram, Tamil Nadu	1000000	yes	
9	Government Dental College and Research Institute, Bengaluru.	Healthcare	Yes	Bengaluru, Karnataka	2946322	yes	
10	SOS children's villages of India, Bengaluru.	Promoting education	Yes	Bengaluru, Karnataka	2820000	No	SoS Childrens villages of India – CSR00000692
11	Jayapriya Medical Foundation,Hubli.	Healthcare	No	Hubli, karnataka	2500000	yes	
12	Hassan Institute of Medical Sciences,Hassan.	Healthcare	No	Hassan, Karnataka	1643372	yes	
13	Office of Chief Medical and Health Officer, Udaipur.	Healthcare	No	Udaipur, Rajasthan	1556500	yes	
14	Rotary Indiranagar, Bengaluru.	Promoting education	Yes	Bengaluru, Karnataka	1500000	No	Rotary Indiranagar, Bengaluru.
15	Bowring and lady Curzon hospital, Bengaluru.	Healthcare	Yes	Bengaluru, Karnataka	475000	yes	
16	Government District Hospital, Raisen ,Madhya Pradesh.	Healthcare	No	Raisen, Madhya Pradesh	1152780	yes	
17	Jaya Arogya Hospital, Gwalior.	Healthcare	No	Gwalior, Madhya Pradesh	784000	yes	
18	Government General Hospital, Guntur.	Healthcare	No	Guntur, Andhra Pradesh	761600	yes	
19	Primary Health Centre, Chikkajamburu, Shikaripura Taluk. Shimoga.	Healthcare	No	shimoga, Karnataka	95200	yes	
20	Mathrushree Charitable Trust,Bengaluru.	welfare Measures	Yes	Bengaluru, Karnataka	211957	yes	
21	Ramakrishna math,Ramanathapuram.	welfare Measures	No	Ramanathapuram, Tamil Nadu	158370	yes	
22	Scholarship for Students	Promoting education	Yes	Bengaluru, Karnataka	76590	yes	
23	Scholarship for Students	Promoting education	No	Gollapudi, Andhra Pradesh	38450	yes	

Sl No.	Name of the Project	Item from the list of activities in schedule VII of the act	local area Yes/ No)	location of the project	Amount spent for the project (in ₹)	Mode of implementation (-Direct (yes/ no)	Mode of Implementation through implementing agency (Name and CSR Registration number)
24	Sevaashrama orphanage for Destitute,Mangalore.	welfare Measures	No	Mangalore, Karnataka	193600	yes	
25	Scholarship for Students	Promoting education	No	Mumbai, Maharashtra	10979	yes	
26	Deepanjali Trust for the Disabled,Bengaluru.	welfare Measures	Yes	Bengaluru, Karnataka	125481	yes	
27	Government Hospital,Hosur.	Healthcare	No	Hosur, Tamil Nadu	1686862	yes	
28	Samarthanam Trust for the disabled, Bengaluru.	Promoting education	Yes	Bengaluru, Karnataka	1587600	No	Samarthanam Trust for the disabled,Bengaluru-CSR00000063
29	PM CARES	Disaster Management	No	Across India	40000000	yes	
30	KSDMA	Disaster Management	Yes	Bengaluru, Karnataka	10000000	yes	
31	Rotary Indiranagar, Bengaluru.	Promoting education	Yes	Bengaluru, Karnataka	1000000	No	Rotary Indiranagar, Bengaluru.
32	Friends of Tribal Society,Bengaluru.	Promoting education	Yes	Bengaluru, Karnataka	748000	No	Friends of Tribal Society, Bengaluru.
	Total				**77054269**		

(d) Amount spent in Administrative Overheads – NIL

(e) Amount spent on Impact Assessment, if applicable -NIL

(f) Total amount spent for the Financial Year (8b+8c+8d+8e) – ₹9.05 Cr

(g) Excess amount for set off, if any

Sl No.	Particular	(₹ in Crore)
1	Two percent of average net profit of the company as per section 135(5)	9.64
2	Total amount spent for the Financial Year	11.08 (FY 2020–21–9.05 AND PREVIOUS YEARS -2.03)
3	Excess amount spent for the financial year [(ii)-(i)]	NIL
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

9. (a) Details of Unspent CSR amount for the preceding three financial years:

Sl. No.	Preceeding Financial year	Amount Transferred to unspent CSR account under section 135(6) (in ₹)	Amount spent in the reporting Financial year(in ₹)	Amount transferred to any fund specified under schedule VII as per section 135(6),if any	Amount remaining to be spent in the succeeding financial years(in ₹)
1	2018–19	-	9244490	NA	104000
2	2019–20	3000000	11021284	NA	3000000
	Total		**20265774**		

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

Sl. No.	Project ID	Name of the Project	Financial year in which project was commenced	Project Duration (in days)	Total Amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of the reporting Financial year (in ₹)	Status of the project (Completed/ Ongoing)
1	Parivaar Education Society, Sandalpur, MP.		2018–19	365	15000000	500000	15000000	Completed
2	Ramakrishna Mission, Shivanahalli, Bengaluru		2018–19	365 *delayed on account of COVID	11504000	4800000	11400000	Ongoing
3	Kidwai Memorial Institute of Oncology, Bengaluru.		2018–19	365	7530000	3944490	7530000	Completed
4	Canara bank Relief and welfare society.		2019–20	365	5467000	2648494	5467000	Completed
5	Ramakrishna math, Ramanathapuram.		2019–20	365	13800000	3300000	13800000	Completed
6	Swami Vivekananda youth movement mysore.		2019–20	*delayed on account of COVID	3000000	2100000	2100000	Ongoing
7	Govt primary school, beneganahalli, Bengaluru.		2019–20	365 *delayed on account of COVID	3000000	900000	900000	Ongoing
8	Government higher primary school, badabettu, udupi.		2019–20	365	358268	358268	358268	Completed
9	Government Primary School, lashkar, Gwalior.		2019–20	365	65000	65000	65000	Completed
10	Government model primary school, hulimavu, bengaluru.		2019–20	365	489700	489700	489700	Completed
11	Government lower primary school, Doddakammanahalli, bengaluru.		2019–20	365	257948	257948	257948	Completed
12	JMJ old age home.		2019–20	365	901874	901874	901874	Completed
	Total					**20265774**		

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details) – NIL

(a) Date of creation or acquisition of the capital asset(s) – NIL

(b) Amount of CSR spent for creation or acquisition of capital asset – NIL

(C) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc. –NIL

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset). - NIL

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5). – NA

For Can Fin Homes Limited

Place: Bengaluru
Date : July 31, 2021

Girish Kousgi
Managing Director & CEO

Venkata Prabhakar
Chairman CSR Committee

Annexure 3

FORM AOC 2

Particulars of contracts/arrangements made with related parties

[Pursuant to Clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013, and Rule 8(2) of the Companies (Accounts) Rules, 2014-AOC-2]

This Form pertains to the disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in Sub-section(1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

1. Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2021, which were not in arm's length basis.

2. Details of material contracts or arrangements or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2021 are as follows:

Nature of Contract	Nature of relationship	Date of Sanction	Tenure (years)	Salient Terms *	Outstanding Amount (in ₹ Crore)	Interest Paid (in ₹ Crore)
1) Loans from Canara Bank						
Term Loan 143	Sponsor Bank	21-08-2017	10	TL at MCLR	920.00	84.84
Term Loan 150	Sponsor Bank	27-02-2018	10	TL at MCLR	0.00	10.36
Term Loan 153	Sponsor Bank	27-02-2018	10	TL at MCLR	0.00	8.96
Term Loan 157	Sponsor Bank	27-02-2018	10	TL at MCLR	0.00	3.27
Term Loan 161	Sponsor Bank	02-11-2018	10	TL at MCLR	0.00	25.37
Term Loan 162	Sponsor Bank	02-11-2018	10	TL at MCLR	0.00	1.77
Short Term Loan	Sponsor Bank	30-12-2020	1	STL at Repo+0.75%	775.00	9.25
Term Loan - (E-Syndicate)	Sponsor Bank	15-06-2019	10	TL at MCLR	0.00	36.10
2) Working Capital from Canara Bank	Sponsor Bank	27-02-2018	1	Over Draft facility	575.95	12.89
TOTAL					**2270.96**	**192.81**

*(other terms & conditions as per respective agreement)

Nature of Contract	Nature of relationship	Date of Deposit	Tenure (years)	Salient Terms	Outstanding Amount (in ₹ crore)
1)Deposit with Canara Bank					
2673302000149/18	Sponsor Bank	31-12-2020	1	Fixed Deposit at 5.25%	0.50
2673302000149/19	Sponsor Bank	31-12-2020	1	Fixed Deposit at 5.25%	0.50
2673302000149/20	Sponsor Bank	28-01-2021	1	Fixed Deposit at 5.25%	0.70
0684302000216/122	Sponsor Bank	25-02-2021	1	Fixed Deposit at 5.20%	0.55

Nature of Contract	Nature of relationship	Date of Deposit	Tenure (years)	Salient Terms	Outstanding Amount (in ₹ crore)
0684302000216/123	Sponsor Bank	31–03–2021	1	Fixed Deposit at 5.20%	0.75
0684302000216/108	Sponsor Bank	28–06–2020	1	Fixed Deposit at 5.50%	0.20
0684302000216/109	Sponsor Bank	03–07–2020	1	Fixed Deposit at 5.50%	0.50
0684302000216/110	Sponsor Bank	03–07–2020	1	Fixed Deposit at 5.50%	0.50
0684302000216/111	Sponsor Bank	21–08–2020	1	Fixed Deposit at 5.40%	0.50
0684302000216/112	Sponsor Bank	21–08–2020	1	Fixed Deposit at 5.40%	0.50
0684302000216/115	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.50
0684302000216/116	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.90
0684302000216/117	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.90
0684302000216/118	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.90
0684302000216/119	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.90
0684302000216/120	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.90
0684302000216/121	Sponsor Bank	30–10–2020	1	Fixed Deposit at 5.25%	0.50
0684302000216/113	Sponsor Bank	30–09–2020	1	Fixed Deposit at 5.40%	0.70
0684302000216/114	Sponsor Bank	30–09–2020	1	Fixed Deposit at 5.40%	0.75
0684302000307/2	Sponsor Bank	28–11–2020	1	Fixed Deposit at 5.25%	0.50
0684302000308/2	Sponsor Bank	28–11–2020	1	Fixed Deposit at 5.25%	0.50
0684401002868/36	Sponsor Bank	28–08–2020	1	Kamadhenu Deposit at 5.40%	0.60
0684401002868/37	Sponsor Bank	28–08–2020	1	Kamadhenu Deposit at 5.40%	0.60
0684401002868/38	Sponsor Bank	10–02–2021	1	Kamadhenu Deposit at 5.20%	1.25
0684401002868/39	Sponsor Bank	28–03–2021	1	Kamadhenu Deposit at 5.20%	0.51
0684401002868/40	Sponsor Bank	31–03–2021	1	Kamadhenu Deposit at 5.20%	0.95
0684401002868/41	Sponsor Bank	31–03–2021	1	Kamadhenu Deposit at 5.20%	0.95
0684401002868/42	Sponsor Bank	31–03–2021	1	Kamadhenu Deposit at 5.20%	0.64
0684401002868/35	Sponsor Bank	29–05–2020	1	Kamadhenu Deposit at 5.75%	0.25
TOTAL					**18.90**
2) Total Interest earned on Canara Bank Deposit					**1.60**

Nature of Contract	Nature of relationship	Duration of Contract	Salient Terms	Amount (in ₹ Crore)
Rent paid to Canara Bank	Sponsor Bank	On going	Rent for Premises of Branches at Noida, Chennai, New Delhi and Mangalore	0.76
Bank charges paid to Canara Bank	Sponsor Bank	On going	As per norms	0.77
Salary of Managing Director/s paid to Canara Bank	Sponsor Bank	On going	As per norms	0.33
Sitting Fees of Directors paid to Canara Bank	Sponsor Bank	On going	As per norms	0.06
Processing Fees paid to Canara Bank	Sponsor Bank	One time	As per norms	2.36
Dividend Paid	Sponsor Bank	On going	As declared in the Annual General Meeting	7.99

Nature of Contract	Nature of relationship	Duration of Contract	Salient Terms	Amount (in ₹ Crore)
Registrar & Transfer Agency charges paid to Canbank Computer Services Ltd	Subsidiary of Sponsor Bank	3 years	As per the R&T agreement	0.10
Secured Redeemable Non Convertible Taxable Debentures invested by Canara Bank Employee Pension Fund	Pension Fund of Sponsor Bank	One time	As per the terms and conditions of the NCD issue.	Interest 0.38
Secured Redeemable Non Convertible Taxable Debentures invested by Canara Bank staff Provident Fund	Pension Fund of Sponsor Bank	One time	As per the terms and conditions of the NCD issue.	Interest 1.52
Secured Redeemable Non Convertible Taxable Debentures invested by Canara Bank Employee Gratuity Fund	Pension Fund of Sponsor Bank	One time	As per the terms and conditions of the NCD issue.	Interest 0.38
Commission Received from Canara HSBC OBC Insurance Co. Ltd	Joint venture of Sponsor Bank	One time	As per the terms and conditions	1.22
Secured Redeemable Non Convertible Taxable Debentures invested by Canara HSBC OBC Insurance Co. Ltd	Joint venture of Sponsor Bank	One time	As per the terms and conditions of the NCD issue.	5.00 Interest 0.39

Appropriate approvals have been taken for related party transactions u/s 188 of Companies Act, 2013 at the 32nd AGM of the Company held on July 17, 2019 & approvals of Audit committee & Board of Directors as required under listing agreements/ SEBI (LODR) regulations 2015 & Companies Act 2013. Advances paid have been adjusted against billings wherever applicable.

Place: Bengaluru
Date : July 31, 2021

Sd/-
Prashanth Joishy
Assistant General Manager & CFO

Sd/-
Girish Kousgi
Managing Director & CEO

Sd/-
Venkata Prabhakar
Chairman

Annexure-4

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Can Fin Homes Limited.

1. We, Varma and Varma, Chartered Accountants, the Statutory Auditors of Can Fin Homes Limited ('the Company'), have examined the compliance of the conditions of Corporate Governance by M/s Can Fin Homes Limited for the year ended March 31, 2021 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred in Regulation 15(2) of the Listing Regulations.

Management's Responsibility

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance of the conditions of the corporate governance stipulated in the Listing Regulations.

Auditor's Responsibility

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

4. We have examined the books of account and other relevant records and documents maintained by the company for the purpose of providing reasonable assurance on the compliance with the corporate governance requirements by the company.

5. We conducted our examination of the relevant records of the company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the ICAI), the standards on auditing specified under section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on our examination of relevant records and according to the explanations given to us and based on our reliance upon the representations made by the Directors and the Management, we certify that the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations during the year ended 31st March'2021.

8. We further state that such compliance is neither an assurance as to future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For VARMA & VARMA
Chartered Accountants
FRN 004532S

Georgy Mathew
Partner
M.No.209645
UDIN:21209645AAAAIB6250

Place: Bangalore
Date : July 31, 2021

Annexure-5

CORPORATE POLICIES

We seek to promote and follow the highest level of ethical standards in all our business transactions guided by our value system. Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 our Company has formulated certain policies and such policies are available on our website viz., https://www.canfinhomes.com/. The policies are reviewed periodically by the Committees of the Board and modifications, if any, based on need and change in applicable laws, are approved by the Board. The list of such policies with their web links is as follows:

Name of the policy	Brief description & Web link
Nomination & Remuneration Policy	This policy formulates for selection and to identify persons who are qualified to become Directors of the Company and also the criteria for determining the remuneration of the directors, key managerial personnel and other employees. https://www.canfinhomes.com/pdf/Nomination-Remuneration-and-HR-Policy-2021.pdf
Dividend Distribution Policy	The policy provides the framework of the Company in relation to the calculation, declaration and settlement of the dividends and the determination of the form and time periods within which Dividends are paid. https://www.canfinhomes.com/pdf/Dividend-Distribution-Policy-2021–22.pdf
Related Party Transactions Policy	The policy regulates all the transactions between the Company and its related parties. https://www.canfinhomes.com/pdf/Related-Party-Transactions-Policy-2021–22.pdf
Whistle Blower Policy	The Company has adopted a whistle-blower mechanism for directors and employees to report concerns about unethical behaviour, actual or suspected fraud, or violation of the Company's code of conduct and ethics. https://www.canfinhomes.com/pdf/Whistle-Blower-Policy-2021–22.pdf
CSR Policy	The policy outlines the Company's strategy to bring about a positive impact on society through programs relating to socio economic development in rural areas, improve education, eradicate extreme hunger and poverty, promote gender equality and empowering women, reducing child mortality and improving maternal health, health care and sanitization, ensuring environmental sustainability, employment enhancing vocational skills, social business projects, promoting and protecting natural heritage and culture and such other matters of common good. https://www.canfinhomes.com/pdf/CSR-Policy-2020–21.pdf
Policy for determining Materiality for Disclosures	This policy provides for the material events requiring disclosures, mandatory as well as based on the decision as to the materiality for disclosure to stock exchanges as well as on the website of the Company in terms of Reg.30 of SEBI (LODR) Regulations,2015. https://www.canfinhomes.com/pdf/Disclosure-of-material-events-or-information-2021–22.pdf
Familiarisation Policy	This policy is aimed at familiarising the Independent Directors with the Company, their roles, rights, responsibilities, nature of the Industry in which the Company operates, business model of the Company, apprise them of the change in the applicable laws and regulations from time to time etc. through various familiarisation programs, presentations and informatory notes. https://www.canfinhomes.com/pdf/CFHL-Familiarisation-Programme-FY-2020–21.pdf
Archival Policy	The provisions of Archival policy defines the time period for which material events / information shall continue to be hosted on the website of the Company & the status thereafter. https://www.canfinhomes.com/pdf/Archival-Policy-120419.pdf
Code of Conduct for Directors, Independent Directors and Senior Management	The Company has adopted the Code of Conduct and ethics for Directors, Independent Directors and Senior Management Personnel. https://www.canfinhomes.com/pdf/Code-Of-Conduct-for-Directors-120419.pdf https://www.canfinhomes.com/pdf/Code-Of-Conduct-for-Independent-Directors-120419.pdf https://www.canfinhomes.com/pdf/Code-Of-Conduct-for-Senior-Management-Personnel-120419.pdf
Code of Fair Disclosure	The purpose of this Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information is to clearly outline the procedures and practical guidelines that would be followed by the Company for transparent, regular, consistent and timely public disclosure and dissemination of unpublished price sensitive information. https://www.canfinhomes.com/pdf/Code-of-Conduct-on-PIT-Fair-Disclosure-of-UPSI-20032021.pdf

Annexure-6

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility (BR) Report of Can Fin Homes Limited (Company) for the Financial Year 2020–21 follows the National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business and the recently introduced National Guidelines on responsible business conduct, notified by the Ministry of Corporate Affairs (MCA), Government of India. Our BR Report includes our response to questions on our practices and performance on key principles defined by Regulation 34 (2) (f) of the SEBI LODR Regulations, 2015 covering topics across environment, governance and stakeholders relationships. This report throws light on our efforts towards creating enduring value for all its stakeholders in a responsible manner.

SECTION A- GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L85110KA1987PLC008699
2. Name of the Company	CAN FIN HOMES LIMITED
3. Registered Address	No.29/1, 1st Floor, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004 Tel: 080 48536192/ 26567655 FAX: 080 26565746
4. Website	www.canfinhomes.com
5. Email id	compsec@canfinhomes.com development@canfinhomes.com
6. Financial Year reported	April 1, 2020 to March 31, 2021
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Housing Finance- 64192 Insurance – 65110 (Industrial Group as per National Industrial Classification Ministry of Statistics and Programme Implementation)
8. List three key products / services that the Company Manufactures / provides (as in balance sheet)	(i) Housing loan to individuals (ii) Housing loan to Builders/developers and (iii) Loan against Property.
9. Total number of locations where business activity is undertaken by the Company	200 Branches
a. Number of International Locations (Provide details of major 5)	Nil (No overseas presence as on date).
b. Number of National Locations	200
10. Markets served by the Company – Local / State / National / International	200 branches spread in 21 States/Union Territories.

SECTION B – FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital	2,663.31 (₹ in Lakh)
2. Total turnover	2,01,843.12 (₹ in Lakh) (FY2020–21)
3. Total profit after taxes	45,606.03 (₹ in Lakh) (FY2020–21)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.43% (As detailed in Annexure V of the Board's Report)
5. List of activities in which expenditure in four above has been incurred:	Promoting education including special education, Construction of class room blocks for Government schools, procurement of tabs and construction/renovation of Toilets, Safety Grill work, water filters, sanitary pad vending machines to Government schools, renovation of anganwadis, Scholarships for under privileged, girl child education, and for higher education of special and disabled students. The Company also focuses on healthcare and provided advanced medical equipment to Hospitals during Covid-19 pandemic. Company has also provided three ambulances to government Hospitals. Company has provided support for construction of Fitness cum Sports Center for tribal students. Company has also contributed for nutritional expenses, procurement of basic Fixed assets for old age homes, orphanages and residential homes for differently abled people. Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES) and Karnataka State Disaster Management Authority to provide relief to those affected during the COVID-19 pandemic. Any kind of social activity related to emergency or distress situation like COVID-19 also forms part of its CSR activities.

SECTION C – OTHER DETAILS

1. Does the Company have any Subsidiary Company/Companies?

CFHL does not have any subsidiary.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s).

Not applicable.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30–60%, more than 60%]

Not applicable.

SECTION D – BUSINESS RESPONSIBILITY INFORMATION

1. Details of Director / Directors responsible for BR:

a. Details of the Director / Directors responsible for IMPLEMENTATION of the BR policy/ policies:

The Corporate Social Responsibility (CSR) Committee of the Board of the Company is collectively responsible for the implementation of the BR policies of the Company.

b. Details of the BR head:

Sl. No.	Particulars	Details
1.	DIN (if applicable)	08524205
2.	Name	Shri Girish Kousgi
3.	Designation	Managing Director & CEO
4.	Telephone no.	080–26568687
5.	E-Mail id	mdsec@canfinhomes.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)

The NVGs released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. The areas briefly are as follows:

Principle 1

Ethics, Transparency and Accountability [P1]

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

Principle 2

Products Lifecycle Sustainability [P2]

Businesses should provide goods and services that are safe and contribute to sustainability throughout their Life Cycle.

Principle 3

Employees' Well-being [P3]

Businesses should promote the well being of all Employees.

Principle 4

Stakeholder Engagement [P4]

Businesses should respect the interests of and be responsive towards all Stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

Principle 5

Human Rights [P5]

Businesses should respect and promote Human Rights.

Principle 6

Environment [P6]

Businesses should respect, protect and make efforts to restore the Environment.

Principle 7

Policy Advocacy [P7]

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

Principle 8

Inclusive Growth [P8]

Businesses should support inclusive growth and equitable development.

Principle 9

Customer Value [P9]

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

a) Details of Compliance (Reply in Yes 'Y' or No 'N)

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for:	Y	Y	Y	Y	Y	Y	N	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
3.	Does the policy conform to any national / international standards? If Yes, specify? (50 words)	All the policies have been developed as a result of detailed consultation, experience and research on the best practices adopted across the Industry.								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ Owner / CEO / appropriate Board Director?	Y	Y	Y	Y	Y	Y	N	Y	Y
5.	Does the company have a specified committee of the Board/Director / Official to oversee the Implementation of the policy?	Y	Y	Y	Y	Y	Y	N	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.canfinhomes.com/Policies-Codes.aspx								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	N	Y	Y
8.	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
9.	Does the company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	N	Y	Y
10.	Has the company carried out independent audit / evaluation policy by an internal or external agency?	All the policies of the Company are reviewed/ evaluated internally from time to time and updated whenever required.								

It has been the Company's practice to upload all policies on the intranet site for information and implementation by the internal stakeholders. However, certain Codes/ policies being applicable to both internal and external stakeholders are available on the Company's website www.canfinhomes.com.

(b) If answer to the question at serial NUMBER 1 against any principle, is 'No', please explain why: (Tick up to 2 options

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the principles.	Not Applicable						*	Not Applicable	
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.									
3.	The company does not have financial or manpower resources available for the task.									
4.	It is planned to be done within next 6 months.									
5.	It is planned to be done within the next 1 year.									
6.	Any other reason (please specify).									

*The company presently is not a member of any trade and chamber or association.

3. **Governance related to BR:**

(a) **Indicate the frequency with which the Board of Directors, committee of the Board or CEO meets to assess the BR performance of the company – within 3 months, 3–6 months, annually, more than 1 year.**

3–6 months.

(b) **Does the company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

The company publishes the BR Report in the Annual Report, on the website of the company (www.canfinhomes. com) and files the same online on NSE & BSE websites.

Section E – Principle-Wise Performance

Principle 1 – Business should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the Policy relating to ethics, bribery and corruption cover only the Company? Does it extend to the Group/ Joint Ventures/Suppliers/ Contractors/NGOs/Others?**

Yes. Can Fin Homes Ltd., is committed to setting up, utmost standards for transparency and accountability in all its affairs. Can Fin Homes Ltd., strives to attain its mission through compliance of high legal and ethical standards. The Company has set out the responsibilities of its employees in observing and upholding Company's commitment to Ethical Practices in all its endeavors.

The Company believes in empowerment and has delegated decision-making powers to appropriate levels in the organizational hierarchy. Each executive and employee is similarly accountable for the functions and responsibilities entrusted to him/her. The Company believes that transparency increases accountability and scrutiny. Every employee of the Company shall conduct himself/herself professionally and deal on behalf of the Company with honesty and integrity while conforming to high ethical standards.

The Board attaches utmost importance to transparency and applies a "zero tolerance" approach to acts of bribery and corruption by any of its employees. Any breach is regarded as a serious matter and is likely to result in serious disciplinary action which could ultimately lead to dismissal.

The Code of Conduct is extended to all employees and associates.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management?**

2531 complaints were received/attended during the financial year 2020–21, from various stake-holders (housing loan applicants, borrowers, depositors, shareholders and debenture holders). 2531 complaints working out to 100% were satisfactorily resolved.

During the year, the Company had received one complaint (SEBI SCORES) from investors and the same was pending with SEBI for closure. Therefore, Number of complaints (SEBI SCORES) pending as on March 31, 2021 is one.

Principle 2 – Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

CFHL emphasizes that Company Businesses should design products and services in a manner that creates value to customers. The Company believes in doing Business with moral values and principles and the Company has integrated its business and values to meet the expectations of its customers, employees, investors, stakeholders and society at large. The Company provides and maintains clean, healthy and safe working environment and strives to enhance standards of service delivery to customers. The main objective of the Company is by itself a big social responsibility of helping people to have a home of their own by providing loans for construction and purchase of dwelling units at competitive ROI.

1. **List upto 3 products or services whose design has incorporated social or environmental concerns, risks and /or opportunities.**

Concessional ROI for Housing loans to Women applicants, who will be sole/joint owners of the property they acquire or build, in order to bring about empowerment of women.

21 Affordable Housing Loan Centers (AHLCs) to cater to Credit Linked Subsidy Scheme loans under (PMAY) offering Loans at competitive Rate of Interest for beneficiaries belonging to EWS, LIG, MIG, women, SC, ST, BC, minorities, persons with disabilities and transgenders.

The Company has many branches in Tier 2 and Tier 3 Cities to cater to the housing needs of low income group (LIG) and middle income group (MIG) families.

2. **For each product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)?**

The Company does not involve in manufacturing activity, therefore reporting resource use of energy, water and raw Corporate Overview Financial Statements material per unit of product may not be applicable. However, it may be

pertinent to mention here that the Company minimizes the consumption of electrical energy, natural resources and under its green initiative, has installed solar power in 16 branches and has been ensuring minimum usage of paper.

3. **Does the Company have procedures in-place for sustainable sourcing (including transportation), if yes, what percentage of your inputs was sourced sustainably?**

   The Company is not as such involved in manufacturing activity, therefore the reporting on sustainable sourcing is not applicable.

4. **Has the Company taken steps to procure any goods and services from local and small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve the capacity and capability of local and small vendors?**

   Local and Small Service Providers play an important role in the competitiveness of Indian Service Industry. They are integral parts of the supply chain in the financing services industry. The Role of Regional Component of Service Providers is adopted in Company's operations to ensure the development of a cohesive system of assistance in the geographical areas represented by CFHL. The Company has, to the best possible extent tried to improve the quality, quantity, capacity, capability of local and small vendors/service providers to get different services rendered by them for its day to day Administration and Business Operations. They include a whole chain of small service providers like Technical Valuers, Advocates & Legal firms, External Verification Agencies, AMC providers for its computer systems and electrical equipment, Courier Service providers, event managers, suppliers and vendors of electrical items, stationery items, owners of branch premises, security service providers etc.,

5. **Does the Company has a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as below 5%, 5–10% and above 10%. Also, provide details thereof, in about 50 words or so.**

   The Company is not involved in manufacturing activity, therefore reporting on recycle mechanism is not applicable. The Company minimizes the consumption of electrical energy, and natural resources and shall strive to prevent pollution of air, water and land.

Principle 3 – Businesses should promote the wellbeing of all employees.

The Company believes that its success depends on its ability to develop knowledge, skills and expertise of its employees. This belief translates in ensuring that every business vertical is equipped with right talent, which is both competent and engaged. The Company achieved this objective by undertaking various initiatives for talent development, employee engagement and communication.

1. **Please indicate the total number of employees.**

   Total number of employees as on March 31, 2021 was 887.

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis**

   131 employees are hired on a contractual basis.

3. **Please indicate the number of permanent women employees.**

   181 permanent women employees are working in the Company as on March 31, 2021, which constitute 20.41% of the total employee strength of the Company.

4. **Please indicate the number of permanent employees with disabilities.**

   3 employees.

5. **Do you have employee association that is recognized by management?**

   There is no employee association. However, mechanisms are in place for employees to represent their issues, if any.

6. **What percentage of your permanent employees are members of this recognized employee association?**

   Not Applicable

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as at the end of the financial year.**

Sl. No.	Category pending as on	No. of complaints filed during the financial year	No. of complaints pending at the end of the financial year
1.	Child Labour/Forced Labour/ Involuntary labour	CFHL does not hire child labour, forced labour or involuntary labour – No cases reported.	Not applicable
2.	Sexual harassment	None	Not applicable
3.	Discriminatory employment	None	Not applicable

8. **What safety and skill upgradation training was provided in the last year?**

The Company constantly strives to provide internal and external training to its employees at all levels. Company provides (a) On-the-job Training involving employees training at the place of work, (b) Class-Room Training involving skilled and experienced instructors with subject expertise, (c) Employees are given external training sessions by deputation to participate in Seminars and Workshops conducted by professional Training Institutes. However, due to Covid'19 pandemic, few of our employees attended virtual training during 2020–21.

Principle – 4 : Business should respect the interest of, and be responsive towards all stake holders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders?**

The Company's key stakeholders comprise Promoters, Employees, Customers, Business Associates, Recovery Agents, Investors, Direct Selling Agents, Suppliers and Regulatory Agencies. Our investors include Share Holders (comprising Individual Investors, Corporate Bodies, Foreign Institutional Investors, Indian Institutional Investors, Foreign Bodies, NRIs etc.).

CFHL and its employees strive to provide value based services to the stake holders. The Company is in constant touch with its various stakeholders to understand their concerns and assess their requirements and respond to their needs in an effective manner.

2. **Out of the above, has Company identified the disadvantaged, vulnerable and marginalized stakeholders? If so, provide details thereof, in about 50 words or so**

The Company through its schemes for Affordable home loans helps customers with income in the lower brackets/ under privileged lower strata of the society.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalized stakeholders? If so provide details thereof, in about 50 words or so.**

CFHL, through its CSR initiatives participated in Socio-Economic Development of marginalized and disadvantaged segments of the Society by funding Projects involving

(a) Sponsorship of education to underprivileged children of rural areas, scholarships for girl child and for special and disabled students, renovation of anganwadis, etc.

b) Sponsoring construction of class room blocks for tribal students and students from the economically weaker sections.

c) Sponsoring water and sanitary facilities for Government Primary Schools, sponsoring requirements of rural schools like chairs, tables, almirahs, free books, setting up of library buildings, renovation/construction of toilets.

(d) Providing Lab and Medical equipment to Hospitals run by charitable institutions offering free treatment to poor and improving access to health care in rural areas etc.

Principle 5 – Businesses should respect and promote human rights.

1. **Does the policy of the company on human rights cover only the Company or extend to the Group/Joint Venture/ Suppliers/Contractors/NGO**

The Company conducts its business in a manner that respects the rights and dignity of all the people, complying with all the legal requirements. In conduct of its day to day business with individuals, CFHL respects and adheres to all the human rights laws framed under the Constitution of India. CFHL treats every stakeholder with dignity and respect. All individuals or institutions impacted by the Company's business are provided access to grievance redressal mechanism.

2. **How many stakeholders complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

For Stakeholder complaints, kindly refer Principle 1 under Section E of this BR Report.

Principle 6 – Business should respect and protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint-ventures/ Suppliers/Contractors/NGOs/Others?**

The Company follows electronic mode of communication with all Stake Holders to promote green environment and avoid usage of paper. CFHL complies with all legal and regulatory requirements in respect of environment protection. Besides running 16 of its branches on solar power, CFHL, as a part of its CSR activities, has extended financial support for installation of solar lighting to 100 houses in a backward village called Sollepura Dodde Village, Jigani Hobli, Anekal Taluk, Bengaluru.

2. **Does Company have strategies/initiatives to address global environmental issues such as climate change, global warming etc.,?**

   CFHL has in the past sponsored programs for popularizing low-cost housing technologies which promote several environmental friendly raw-materials correcting the impact of so called modern industries on climate change and global warming. In its day to day functioning also, CFHL has reduced usage of paper by making optimum use of computer technology for records, communication and is gradually moving towards a paperless environment. CFHL takes pride in recording that it has installed solar energy powered lighting and computer operation in 16 branches. Energy consuming old computers, printers, ACs, Photo copiers are constantly replaced with energy efficient new equipment making best use of latest advanced technological developments in these areas.

3. **Does the Company identify and assess potential environmental risks?**

   Yes. The Company takes note of the direct and indirect environmental impact of its business and considers them carefully in its decision making. CFHL supports Builder/ Developer Projects which are environmentally safe and secure by insisting adherence to project permission guidelines, construction permissions issued by competent authorities and insisting compliance with bylaws of Apartment Acts in respective States. CFHL being in the business of granting housing loans ensures housing projects having environmental clearances.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if yes, whether any environmental compliance report is filled?**

   Not Applicable.

5. **Has the Company undertaken any other initiatives on clean technology, energy efficiency, renewable energy, etc., Y/N. If yes, please give hyperlink for web page etc.,**

   Nil

6. **Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Not Applicable

7. **Number of Show Cause/Legal Notices received from CPCB/SPCB which are pending (i.e., not resolved to satisfaction) as on end of Financial Year.**

   Nil

Principle 7- Businesses when engaged in influencing public and regulatory policy, should do so in a responsible manner.

1. **Is your Company a member of any trade and chamber of association?**

   The Company presently is not a member of any trade and chamber of association.

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good?**

   Not Applicable.

Principle 8 – Business should support inclusive growth and equitable development

1. **Does the Company have specified programs/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   In order to promote home ownership and increase housing stock in the Country across all segments of the society, the Company has taken up the following initiatives i.e., opened 21 Affordable Housing Loan Centres across the Country to cater to the needs of households belonging to EWS/LIG and MIG category. Apart from Affordable Housing Loan Centres, the Company has 166 Branches and 14 Satellite offices spread across 21 states. These include many branches in Tier 2 and Tier 3 Cities which enable lending to peripheral developing semi urban and rural areas, thus ensuring inclusive growth.

   Besides these efforts, through CSR activities CFHL has chosen to help Government Institutions, NGOs, Charitable Institutions which are helping poor, disabled, needy and marginalized sections of the society to have better dwelling units, education, hygiene, water and medical facilities. During the year CFHL helped 12 Govt Schools to improve their infrastructure besides helping 17 Government Hospitals to procure Medical Equipment/ambulances.

2. **Are the programs/projects undertaken through in- house team/own foundation/external NGO/Government structures/any other organization?**

   The Company as a part of its Corporate Social Responsibility (CSR) initiative for current year has identified and funded for activities under various sectors like healthcare, education, welfare measures, disaster management through its in-house teams.

3. **Have you done any impact assessment of your initiative?**

   All CSR activities of CFHL are conducted with direct involvement of Company officials and the impact of

the initiative are measured by follow-up visits. We are contacting the beneficiaries of our CSR initiatives to ascertain/quantify the impact on the Society.

4. **What is your Company's direct contribution to community development projects – amount in INR and the details of the projects undertaken?**

CFHL, as a part of its CSR activities, extended financial support for installation of solar lighting to 100 houses in a backward village called Sollepura Dodde Village, Jigani Hobli, Anekal Taluk, Bengaluru.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

CFHL is constantly contacting the beneficiaries of its CSR initiatives to ascertain/quantify the impact on society.

CFHL participated in a big way by donating ₹ 4 Crore to Prime Minister Cares Fund (PM CARES) to provide relief to those affected by any kind of emergency or distress situation like Covid-19.

CFHL donated ₹ 1 Crore to Karnataka State Disaster Management Authority Fund for strengthening Govt's fight against the Covid-19 Pandemic.

Contribution of ₹ 29.46 lakh to Government Dental College and Research Institute, Bengaluru, for procurement of Ventilator and Laryngoscope.

Contribution of ₹ 28.20 lakh to "SOS Children's Villages of India, a home for every child" for sponsorship of child education.

Contribution of ₹ 25 lakh to Jayapriya Medical Foundation, Hubli for procurement of Surgical Microscope.

Contribution of ₹ 16.86 lakh to Government Hospital, Hosur for procuring Ambulance.

Contribution of ₹ 16.43 lakh to Hassan Institute of Medical Sciences, Hassan for procuring Ambulance.

Contribution of ₹ 15.56 lakh to Office of Chief Medical and Health Officer, Udaipur for procurement of Ambulance.

Contribution of ₹ 15.87 lakh to Samarthanam Trust for the disabled towards sponsorship of higher education for 30 disabled and under privileged students, for the Academic Year 2020-2021.

Contribution of ₹ 15 lakh to Rotary Indiranagar, Bengaluru to provide scholarship for 60 students for the academic year 2020-21 under the scholarship program, `Vidya Daan.

Contribution of ₹ 11.52 lakh to Government District Hospital, Raisen, Madhya Pradesh for procurement of multi para monitors, oxygen concentrators and BI-PAP machines.

Contribution of ₹ 10.21 lakh to Akkur Hosahalli High School, Channapatna, Ramanagara for construction of library, procurement of almirah and reading desks.

Contribution of ₹ 10.01 lakh to Gandhi Hospital, Hyderabad for procurement of Medical equipment.

Contribution of ₹ 10 lakh to Government Hospital, Tambaram for procurement of Color doppler ultrasound scanning machine.

Contribution of ₹ 10 lakh to Child Rights For You (CRY) Organisation for sponsorship of higher education for 1000 girl children in backward districts of Uttar Pradesh.

Contribution of ₹ 10 lakh to Spastics Society of Karnataka for sponsorship of education for 40 special children.

Principle 9 – Business should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customer complaints/ consumer cases are pending as on the end of the financial year?**

Percentage of customer complaints pending as on March 31, 2021 – Zero percent (NIL pending cases out of 2531 received/ attended during the year. Last year's pending cases as on March 31, 2020 – NIL).

2. **Does the Company display product information on the product label, over and above what is mandated as per laws?**

CFHL is a housing finance company, hence not applicable.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible, advertising, and/or anti-competitive behavior during the last five years and pending as at end of financial year. If so, provide details thereof, in about 50 words or so.**

There is no such instance.

4. **Did your Company carry out any consumer survey consumer satisfaction trends?**

The Company collects customer feedback through mailers and gathers feedback on an ongoing basis through its customer portal, hosted on the website of the Company.

PERFORMANCE OVERVIEW: NATURAL CAPITAL

Environmental Social and Governance (ESG)

Our Company's approach to sustainable growth is built on the belief that it can strengthen its business while also valuing the environment and its ecosystem. We aim to achieve more sustainable outcomes as well as partner with customers, society and governments towards the achievement of the UN sustainable development goals. We are of the belief that business success and sustainability-driven decisions go hand in hand and depends on the passion of its employees, shareholders and customers.

Environment

It is observed that environmentally sustainable practices aid financial benefits. Inclusive growth promotes and advocates optimal use of depleting resources like water and curbing pollution. As our company is service based and its activities do not involve manufacture of products, we ensure that consumption of energy and natural resources are moderated. Emphasis is placed on environmental conservation while adhering to employee and community safety. We aim to improve energy efficiency by ensuring that business and employee travel are optimized. Company's utilization of virtual technology in the new normal ensured continued business communication in this era of social distancing.

At Can Fin Homes, we are committed to environment-social-governance (ESG) for providing services directly/ indirectly. The holistic environment-social-governance ensures corporate longevity, ensures sustainability in the long run and enhances value for its employees, stakeholders and the community.

Can Fin Homes has taken steps for promoting renewable energy which will be predominant in the foreseeable future in view of scarce natural resources. In this direction, a few years ago itself, our Company has started to use solar energy-driven Power systems including Solar UPS and power saving lamps in some of its branches, use of LED lights instead of conventional CFL & Fluorescent lamps. This saves electricity and is also cost advantageous. We will endeavor to utilise these power saving sources in multiple branches across India.

Bio-Diversity

The nature of our service oriented business, does not affect biodiversity negatively. Our employees are also encouraged to promote environment friendly initiatives like tree planting, avoid usage of plastic, water conservation and usage of bio-degradable products.

Water

Given the nature of our industry, water consumption is minimal. We will encourage our employees and customers to ensure rain water harvesting in their homes to preserve water.

Waste

There is no discharge of effluents and waste since we are a service oriented institution. Necessary steps are taken to reduce emissions, resource consumption, carbon footprint, through efficient use of renewable energy.

Social and employee matters

Policies on corporate governance, code of conduct for the Directors and Employees are in place and the same are strictly adhered to.

We abide by the credo of excellence, cost efficiency, timely HR measures. Our employees work in a safe and conducive environment, where equal opportunities are given to all.

Customers and Vendors

The Company adopts a customer friendly approach recognizing that the customer is paramount for the growth and success of the organization. Customer service is given predominance and customer satisfaction is pivotal.

Community

The Company follows the branch model and all branches provide community services across the country in tune with the United Nations' Sustainable Development Goals.

We are guided by our Board of Directors, including a woman director, who are all eminent personalities with rich experience.

Our Company is totally service based and in no way involved in the manufacture or selling of controversial weapons.

Sd/-

Place: Bengaluru
Date: July 31, 2021

Girish Kousgi
Managing Director & CEO

Report of Directors on Corporate Governance

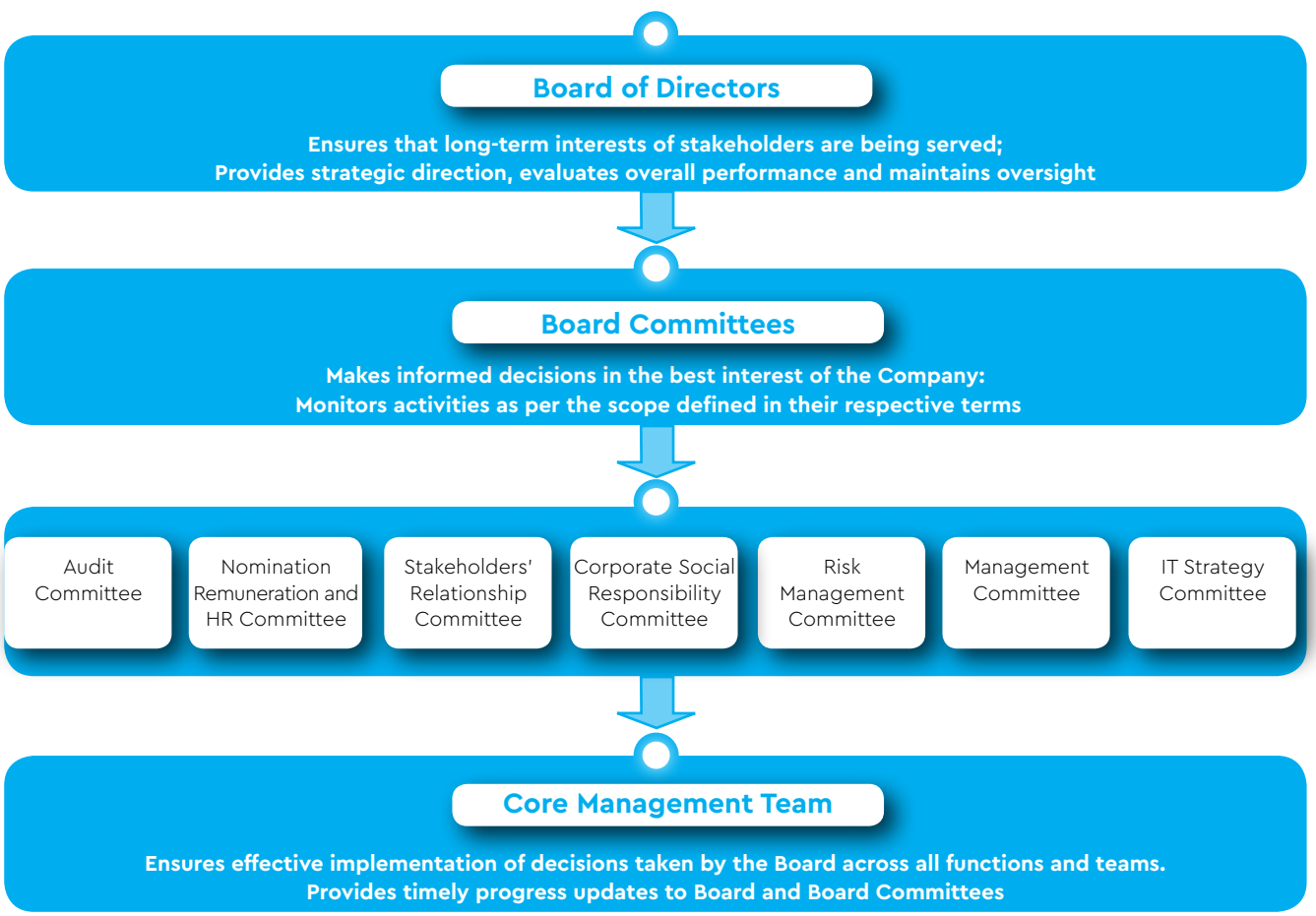
A Report on Corporate Governance for the year ended 31st March, 2021 is given below, pursuant to Schedule V(C) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Your Company is committed to the principles of 'Accountability', 'Transparency' and 'Fairness' in its dealing with Stakeholders. Accordingly, in the endeavor to take balanced care of Stakeholders, your Company adheres to good corporate governance practices in its business processes. The Company has a strong legacy of fair, transparent and ethical governance practices. The Company has in place a Code of Conduct for its employees, Senior Managerial Personnel and also for its Directors.

Corporate Governance is a set of systems and voluntary practices ensuring commitment to values, compliance of statutory regulations, political and economic environments, ethical conduct of business, accountability, transparency, disclosures and acceptance by management of the inalienable rights of shareholders as the true owners of the Company. It involves relationships between the management, the Board of directors and all its stakeholders.

Good corporate governance is a well-defined and enforced structure that works for the benefit of everyone concerned by ensuring that the enterprise adheres to accepted ethical standards, best practices and formal laws. It leads to improved business performance; the main objective of corporate governance is not only to protect the interest of the shareholders but also to enhance shareholders value. It is rightly said that corporate governance is a philosophy which touches every aspect of the functioning of a corporate and its stakeholders. It is not an end itself but a means to practice and bring about corporate democracy at all levels of the corporate entity.

CORPORATE GOVERNANCE STRUCTURE



Company's corporate governance is important to investors equally as it shows from time to time the company's direction and business uprightness. Good corporate governance helps companies build trust with investors and the community. As a result, corporate governance helps promote financial viability by creating a long-term investment opportunity for market participants.

In observation of the current economic downturn climate, investors may look more closely at companies' corporate governance disclosures. As a good corporate citizen, your Company is dedicated towards following the best practices built through conscience, fairness, transparency and accountability in building confidence of its various stakeholders in it, thereby paving the way for its enduring success.

The corporate governance arrangements are those through which an organisation directs and controls itself and the people associated with it by establishing standards and codes of conduct. Good Corporate Governance is a way of life that necessitates taking into account the stakeholders interests in every business decision.

1. Company's Philosophy on Code of Governance

The Company, the Board, the promoters and the employees have embraced statutory and regulatory changes towards strengthening corporate governance. The Company's corporate governance philosophy encompasses enhancement of value for all stakeholders. The Company's Board follows ethical standards of Corporate Governance and adheres to the norms and disclosure requirements mentioned under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2018 (hereinafter collectively referred to as "the Listing Regulations") as applicable and looks at corporate governance as a part of its business. It also adheres to the applicable provisions under the Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

The Company has a strong commitment to the principles that underline the effective corporate Governance. The Company's Board oversees how the management serves and protects the long-term interests of the stakeholders. Over more than three decades, the Company has put in place the best practices for the timely, adequate, explicit and accurate disclosure of information on Company's financials, performance, governance and other related matters.

Your Company has been responsive to its stakeholders and striving to provide equal, timely and cost efficient access to relevant information to all with whom it has business relations.

The Board has a set policy on Corporate Governance to help fulfil Company's corporate responsibility towards its stakeholders. The Board, at its discretion, may change the policy or guidelines periodically to achieve Company's stated objectives. Further, these guidelines allow the Board to make decisions that are independent of the management. The policy is available on the website of the Company at the link https://www.canfinhomes.com/pdf/Corporate-Governance-Policy-2021.pdf

Your Company has built confidence amongst the stakeholders all these years by adherence to the standards and principles of corporate governance, compliance with statutory and regulatory directions/guidelines, and by its determination to achieve higher levels of excellence in the areas of meeting stakeholder expectations, customer satisfaction, employee welfare and its obligations towards the society.

Your Company strives to achieve the objectives of the principles to protect and facilitate the exercise of the rights of its shareholders like right to be informed of the changes, effective participation & vote in general meetings, adequate mechanism to address the grievances of the shareholders, stakeholders, etc., and provide timely and adequate information to shareholders, equitable treatment, etc. Your Company respects the rights of its stakeholders.

The directors are pleased to present this report on the Corporate Governance practices followed in your Company.

2. Board of Directors

As at the end of the financial year 2020–21, the Board consisted of 8 members with an optimum combination of executive directors, non-executive directors and independent directors, including a woman director. Out of them, 2 are Executive Directors and 6 are Non-Executive Directors, including 4 Independent Directors. The Chairperson of the Board is a Non -Executive Promoter Director. Shri Satish Kumar Kalra and Smt. Shubhalakshmi Aamod Panse have been appointed as Independent Directors (Non-Executive Independent Director) during the year by the members at the 33rd Annual General Meeting held on August 26, 2020. Shri Venkata Prabhakar has also been appointed as a Director at the said meeting. Shri Venkata Prabhakar has been elected as the Chairman (Non-Executive Promoter).

The Directors of your Company are persons of integrity and bring to the Board a wide range of knowledge, experience, diversity of thought and skills. The Directors are professionals in their niche areas and persons of eminence with vast experience in the fields of banking, housing finance, audit, management, human resources, risk management, law and other relevant areas.

The Board Diversity Policy forms part of the Nomination Remuneration and HR Policy of the Company, which is available on the website of the Company at the link https://www.canfinhomes.com/pdf/Nomination-Remuneration-and-HR-Policy-2021.pdf

(i) Role of the Board of Directors

The Board effectively carries out its responsibilities like providing strategic guidance to the Company, code of conduct for the executives, disclosure of information about their concerns and interests, adherence to the Code of Conduct etc. The Board applies high ethical standards and acts with due diligence and care in the best interest of the Company and its stakeholders. The primary role of the Board is that of trusteeship to protect and enhance shareholders' value through strategic direction to the Company. As trustees, the Board has fiduciary responsibility to ensure that the Company has clear goals aligned to shareholders' value and its growth.

The Board fulfils its other key functions like reviewing the corporate strategy, major plans of action, risk policy, annual budgets and business plans, setting performance objectives, monitoring implementation and corporate performance and overseeing major capital expenditures, etc. The Board also monitors and reviews the effectiveness of the Company's governance practices, succession plan, ensuring integrity of the Company's accounting and financial reporting systems, independent audits, systems of risk management, financial and operational control, compliance with the law and relevant standards and such other responsibilities as expected by the regulatory authorities.

During FY 2021, information as mentioned in Part A of Schedule II of the SEBI Listing Regulations, were placed before the Board for its consideration.

The Board periodically reviews the compliance reports of all laws applicable to the Company.

(ii) Composition of the Board and Category of Directors

Sl. No.	Name of the Director	Age	DIN	Promoter, Executive, Non-Executive, Independent Non-Executive, Nominee etc.	No. of shares held by the Directors as at March 31, 2021
1	Shri Venkata Prabhakar, Chairperson	58	08110715	Non-Executive & Promoter	Nil
2	Shri Girish Kousgi, MD & CEO	50	08524205	Executive	Nil
3	Shri Debashish Mukherjee	56	08193978	Non-Executive & Promoter	Nil
4	Shri Naganathan Ganesan, FCA	59	00423686	Non-Executive Independent	Nil
5	Shri Shreekant M Bhandiwad	52	08120906	Executive & Promoter	Nil
6	Dr. Vijayanand Yeluri	74	00594503	Non-Executive Independent	Nil
7	Shri Satish Kumar Kalra	64	01952165	Non-Executive Independent	Nil
8	Smt Shubhalakshmi Aamod Panse	66	02599310	Non-Executive Independent	Nil
9	Shri Amitabh Chatterjee	50	09219651	Executive & Promoter	Nil
10	Shri Ajai Kumar	68	02446976	Non-Executive Independent	Nil

– Shri S Subramanian (DIN: 07901414), attained superannuation from Canara Bank w.e.f. May 31, 2020 and consequently resigned as a director.

-Smt Bharati Rao (DIN: 01892516), Non-Executive Independent Director and Chairperson of the Board, vacated office on completion of her tenure on August 26, 2020.

-Shri Shreekant M Bhandiwad Dy. Managing Director, vacated the Office on completion of his tenure on April 27, 2021.

-Shri Amitabh Chatterjee has been appointed as an Additional Director w.e.f. July 15, 2021.

-Shri Ajai Kumar has been appointed as an Additional Director w.e.f. Iuly 31, 2021.

The Chairperson of the Board, Shri Venkata Prabhakar is a Non-Executive Promoter Director since July 30, 2020. Shri Girish Kousgi is the Managing Director and CEO of the Company since September 05, 2019. Shri Shreekant M Bhandiwad was the Dy. Managing Director (Executive & Promoter Director) of the Company since April 28, 2018 and his tenure as a Director in the Company has been completed on April 27, 2021. The proposal for appointment Shri Amitabh Chatterjee as Dy. Managing Director and Shri Ajai Kumar as an Independent Director is placed before the ensuing Annual General Meeting for the approval of the shareholders. Shri Venkata Prabhakar and Shri Debashish Mukherjee are Non-Executive Promoter Directors. Shri Naganathan Ganesan, Dr. Vijayanand Yeluri, Shri Satish Kumar Kalra and Smt Shubhalakshmi

Aamod Panse are Independent and Non-Executive Directors on the Board.

The appointments, re-appointments, resignations etc., of the directors are covered separately in the Report of Directors.

The composition of the Board is as specified in Regulation 17(1), 17(1A) & 17(1B) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and also as required under Chapter XI of the Companies Act, 2013 and related rules, as amended from time to time.

The Non-Executive Directors are eligible for sitting fee for attending the meetings of the Board and Committees, within the limits prescribed under the Companies Act, 2013.

(iii) Disclosure of relationships between directors inter-se;

None of the Board of Directors are related inter-se except for the Promoter Directors viz., Shri Venkata Prabhakar, MD and CEO of Canara Bank, Shri Debashish Mukherjee, Executive Director of Canara Bank, Shri Shreekant M Bhandiwad, General Manager and Shri Amitabh Chatterjee, Dy. General Manager in Canara Bank.

(iv) Skills / Expertise / Competencies of the Board of Directors

The Board of the Company is highly structured to ensure a high degree of diversity by education/ qualifications, professional background, sector expertise and special skills. The Board comprises qualified members who bring along a plethora of required skills, competence and expertise to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Company is complying with the highest standards of corporate governance.

The Nomination Remuneration & HR Committee takes into consideration the following key competencies, skills and attributes while nominating Directors to serve on the Board. As required in the context of its business and sector, for the Company to function effectively, the key areas of expertise that are looked into include knowledge of housing finance business/industry experience, financial skills/expertise/ knowledge of audit in banking and insurance companies, credit management & business operations, customer/stakeholders engagement and ethics, corporate governance, legal & compliances, risk management & internal controls, leadership & strategic planning, HR management, knowledge of IT and IT security, diversity, etc.

Chart / matrix setting out the skills, expertise, competence of each of the Directors is provided below: (Expert or proficient)

	Name of the Director									
Skills/ Expertise/ Competency	**Shri Venkata Prabhakar**	**Shri Girish Kousgi**	**Shri Debashish Mukherjee**	**Shri Naganathan Ganesan**	**Shri Shreekant M Bhandiwad**	**Dr. Vijayanand Yeluri**	**Shri Satish Kumar Kalra**	**Smt Shubhalakshmi Aamod Panse**	**Shri Amitabh Chatterjee**	**Shri Ajai Kumar**
Industry experience	E	E	E	P	E	P	E	E	E	E
Leadership and strategic planning	E	E	E	P	E	P	E	E	E	E
Financial expertise	P	P	E	E	P	E	E	E	E	E
Business operations	E	E	E	P	E	P	E	P	E	E
Customer/ Stakeholders engagement and ethics	E	E	E	P	E	E	E	E	P	E
Information Technology & Cyber Security	P	P	P	P	E	P	P	E	E	P
Corporate Governance, Legal and Compliances	E	E	P	P	P	P	P	P	P	P
Risk Management and Internal Control	E	E	E	E	E	P	P	E	E	E

(v) Number of Directorships and Memberships in Committees etc. as on March 31, 2021

None of the Directors hold office in more than ten Public Companies in terms of Sec.165 of the Companies Act, 2013. All the Directors are also in compliance with the limit of Independent Directorships of listed companies as prescribed under Regulation 17A of the Listing Regulations. None of the Directors on the Board is a member of more than ten Committees or Chairperson of five Committees (Committees being Audit Committee and Stakeholders Relationship Committee) across

all the listed entities in which he/she is a Director [Reg.26 of the said regulations]. Necessary disclosures regarding their Committee positions have been made by all the Directors.

The details of the Board of Directors in terms of their directorships held in listed companies, category of directorship and their memberships/ chairmanships in Audit Committee (AC) and Stakeholders Relationship Committee (SRC) are as under:

Name of the Director	Total Directorships in Listed Companies (including CFHL)	Name of the Listed Companies	Category of Directorship	*Membership of AC & SRC in public limited companies (including CFHL)	Chairperson of AC & SRC Committees in public companies
Shri Venkata Prabhakar, Chairperson	2	Can Fin Homes Limited	Non-Executive Promoter	Nil	Nil
		Canara Bank	Managing Director & CEO	Nil	Nil
Shri Girish Kousgi	1	Can Fin Homes Limited	Managing Director & CEO	1	Nil
Shri Debashish Mukherjee	2	Can Fin Homes Limited	Non-Executive & Promoter	1	Nil
		Canara Bank	Executive Director	Nil	Nil
Shri Naganathan Ganesan, FCA	1	Can Fin Homes Limited	Non- Executive Independent	2	1
Shri Shreekant M Bhandiwad	1	Can Fin Homes Limited	Dy. Managing Director Promoter	Nil	Nil
Dr. Vijayanand Yeluri	1	Can Fin Homes Limited	Non- Executive Independent	2	1
Shri Satish Kumar Kalra	2	Can Fin Homes Limited	Non- Executive Independent	Nil	Nil
		PNB Gilts Limited	Non- Executive Independent	2	Nil
		Lakshmi Vilas Bank Limited#	Non- Executive Independent	Nil	Nil
Smt Shubhalakshmi Aamod Panse	4	Can Fin Homes Limited	Non- Executive Independent	2	Nil
		Sudarshan Chemicals Industries Ltd.	Non- Executive Independent	1	1
		Atul Ltd.	Non- Executive Independent	Nil	Nil
		KPIT Technologies Ltd.##	Non- Executive Independent	1	1
Shri Amitabh Chatterjee^	1	Can Fin Homes Limited	Dy. Managing Director Promoter	Nil	Nil
Shri Ajai Kumar^^	1	Can Fin Homes Limited	Non- Executive Independent	-	-

Lakshmi Vilas Bank Limited is amalgamated with DBS Bank w.e.f. 27/11/2020 & board of Lakshmi Vilas Bank has been superseded.

Smt Shubhalakshmi Aamod Panse has resigned w.e.f. 17/06/2021

^Shri Amitabh Chatterjee has been appointed as an Additional Director w.e.f. July 15,2021

^^Shri Ajai Kumar has been appointed as an Additional Director w.e.f. July 31, 2021.

(vi) Number of meetings of Board of Directors

The Board meets at least once in a quarter to review the quarterly performance and financial results of the Company. Apart from the scheduled Board Meetings, additional Board Meetings are also convened to ensure smooth operations of the Company. The meetings are normally held at the Board Room at the Registered Office of the Company. Since April 2020, the meetings are being held on Video Conference as per the relaxations under various circulars issued by Ministry of Corporate Affairs and Securities Exchange Board of India, due to COVID-19 pandemic.

The Company Secretary, in consultation with the Chairperson and Executive Directors prepares a detailed agenda for the meetings. All the relevant information as detailed in the Listing Regulations and such other matter requiring the attention of the Board are placed periodically before the Board. The agenda, Board notes, including explanatory notes are circulated to all the directors well in advance, in digital form. Depending upon the need, executives of the Company and senior management are invited to the meetings of the Board to provide additional inputs/ clarifications on the subject being discussed by the Board.

The minutes of the Board and Committees are recorded and bound in the Minutes Book. The decisions taken on the agenda are promptly communicated to the concerned departments. The Action Taken Reports (ATRs) on the decisions of the previous meetings are placed at the succeeding meetings of the Board for review/noting. A similar procedure is followed for each of the meetings of the Board committees.

The Company ensures minimum gap between the review of financial results by the Audit Committee and approval of the same by the Board, as required under the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015.

The Board of Directors of your Company met 10 times during the FY 20-21: May 28, 2020, June 15, 2020, July 23, 2020, July 30, 2020, August 17, 2020, August 25, 2020, October 28, 2020, December 30, 2020, January 25, 2021 and March 20, 2021. The Board met on April 30, 2021 to approve the annual audited financial results of the Company for the year ended March 31, 2021.

The meetings of the Board and Committees were conducted through video conferencing during Covid 19 situation, in terms of the relaxations announced by statutory and regulatory authorities.

Attendance of each Director etc

Name of the Director	Board Meetings Attended/held during their tenure in CFHL	Sitting Fee Paid (₹)	Attendance at the last Annual General Meeting held on August 26, 2020
Shri Venkata Prabhakar, Chairperson (Non-executive Promoter) w.e.f 30/07/2020	05/06	1,65,000#	Attended
Shri Girish Kousgi, MD & CEO	10/10	NA	Attended
Shri Naganathan Ganesan, FCA	10/10	3,00,000	Attended
Shri Shreekant M Bhandiwad, DMD	08/10	NA	Attended
Dr Vijayanand Yeluri	10/10	3,00,000	Attended
Shri Debashish Mukherjee	08/10	2,40,000#	Attended
Shri Satish Kumar Kalra	08/08	2,40,000	Attended
Smt Shubhalakshmi Aamod Panse	08/08	2,45,000	Attended
Shri S Subramanian $	01/01	30,000#	NA
Smt Bharati Rao, Chairperson (Non-executive Independent) @	06/06	2,10,000	Attended

NA – Not Applicable

Sitting fee paid to Canara Bank.

@ Smt Bharati Rao, Chairperson (Non-executive Independent) vacated office on completion of her tenure on August 26, 2020.

$ Shri S Subramanian, Director, attained superannuation from Canara Bank w.e.f. May 31, 2020 and consequently resigned as a director.

-Leave of absence was granted to the Directors as requested.

-Requisite quorum was present at the above Meetings.

(vii) Board and Directors Evaluation and Criteria for Evaluation

During the year, the Board carried out an annual evaluation of its own performance and the performance of individual Directors as well as evaluation of Committees of the Board. The Nomination Remuneration and HR Committee has approved the Policy on Performance Evaluation, framed in accordance with the relevant provisions of the Companies Act, 2013, SEBI Listing Regulations and SEBI circular dated January 5, 2017 which provided further clarity on the process of board evaluation ('SEBI Guidance Note').

In accordance with the said policy, the evaluation of performance of the Board of Directors, Board Committees and individual Directors has been carried out during the year on the basis of a structured questionnaire comprising of evaluation criteria forming part of the policy, through peer evaluation, excluding the Director being evaluated. The Nomination Remuneration and HR Committee (NRC) has defined the evaluation criteria, procedure

and time schedule for the performance evaluation process for the Board, its Committees and Directors. The criteria for Board evaluation include inter-alia, structure of the Board, qualifications, experience and competence of Directors, diversity in Board and process of appointment; meetings of the Board, including regularity and frequency, agenda, discussion and dissent, recording of minutes and dissemination of information; functions of the Board, including strategy and performance evaluation, corporate culture and values, governance and compliance, evaluation of risks, grievance redressal of investors, stakeholder value and responsibility, conflict of interest, review of Board evaluation and facilitating Independent Directors to perform their role effectively; evaluation of management's performance and feedback, independence of management from the Board, access of Board and management to each other, succession plan and professional development; degree of fulfilment of key responsibilities, establishment and delineation of responsibilities to Committees, effectiveness of Board processes, information and functioning and quality of relationship between the Board and Management.

The criteria for performance evaluation are as under:

Evaluation of Individual Director: Criteria for evaluation of individual Directors include aspects such as professional qualifications, prior experience, especially experience relevant to the Company, sufficient knowledge, skills and competency, fulfilment of functions, ability to function as a team, initiative, availability and attendance, commitment, contribution, integrity (including conflict of interest disclosures, maintenance of confidentiality, etc.), independence, guidance and support to management. In addition, the Chairperson is also evaluated on key aspects of his/her role, including effectiveness of leadership, professionalism and ability to steer meetings, impartiality, ability to keep shareholders' interests in mind and effectiveness as Chairperson.

Chairman's Performance Evaluation: Criteria for evaluation include effective leadership, setting effective strategic agenda of the Board, promoting effective participation by the Board members, establishing effective communication with all stakeholders, etc.

Evaluation of Committees: Criteria for evaluation of the Committees of the Board include mandate of the Committee, structure and composition; effectiveness of the Committee; regularity and frequency of meetings, agenda, discussion and dissent, recording of minutes and dissemination of information; independence of the Committee from the Board; contribution to decisions of the Board; effectiveness of meetings and quality of relationship of the Committee with the Board and KMP's.

Evaluation of the Board as a whole: Providing entrepreneurial leadership to the Company, having clear understanding of the Company's core business and strategic direction, maintaining contact with management, ensuring integrity of financial controls and systems of risk management, making high quality decisions, maintaining high standards of integrity and probity, etc.

(viii) Independent Directors

Independent Directors play a key role in the decision-making process of the Board. They are committed to act in what they believe are in the best interests of the Company and oversee the performance of the management periodically. The Company and its Board benefits immensely from the in-depth knowledge, experience and expertise of its Independent Directors in achieving its desired level of business performance and good corporate governance.

Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties. Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and that they are independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act with an objective independent judgement and without any external influence read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014. The terms & conditions of their appointment are disclosed on the Company's website.

The Independent Directors have given declarations to the Company for the year ended March 31, 2021 confirming adherence to the code of conduct/ criteria of independence, directorships, etc. The

Company has in place the evaluation criteria for performance evaluation of Independent Directors wherein their preparation, deliberations, effective participation, skills and knowledge to discharge their duties as Independent Directors, performance, criteria of independence, etc. are rated by all the Directors (excluding the Director being evaluated).

Based on the disclosures received from all independent directors, the Board of Directors confirm that the independent directors have fulfilled the conditions specified in the Companies Act, 2013, the SEBI Listing Regulations, HFC's Corporate Governance (NHB) Directions, 2016, Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and they are independent of the Management.

There were no resignations under the category of Independent Director during the Financial Year 2020–21.

As per Regulations 25(10) of SEBI (LODR) Amendments Regulations, 2018, the Company has undertaken Directors and Officers Insurance (D&O insurance) for all Directors including independent directors of such quantum and for such risks as was determined by the Board of Directors.

Meeting of Independent Directors:

Separate meeting of Independent Directors of the Company, without the presence of the Executive Directors and the management representatives, was held on March 30, 2021, as required under Schedule IV to the Act (Code for Independent Directors) and Regulation 25(3) of the listing regulations. Dr Vijayanand Yeluri was the Lead Independent Director in the Meeting.

The Independent Directors at their meeting have reviewed, inter-alia, the performance of the Board as a whole, the Committees, the Managing Director & Dy. Managing Director, the non-independent directors and the Chairperson. They also assessed the quality, quantity and timeliness of the flow of information from the Management to the Board.

(ix) Appointment/ re-appointment/ resignation of Directors

Complete particulars of appointments, re-appointments and resignations of the Directors during the relevant period of this Report are provided in Para 18 of the Report of Directors forming part of this Annual Report.

All the Directors have submitted their consents and declarations as required under the provisions of the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and HFCs Corporate Governance (NHB) Directions, 2016. The Nomination Remuneration & HR Committee has determined the candidate(s) as fit and proper based on the areas of expertise and experience relevant for the business of the Company and such other criteria as per the Nomination Remuneration & HR Policy of the Company and recommended to the Board for approval and the Board of Directors has appointed such Directors under such terms and conditions, subject to the approvals of the members at the ensuing Annual General Meeting.

Brief profile of all the Directors are provided in page 22 to 25 of this Annual Report. The agenda relating to appointments / reappointments of Directors are provided in the Notice of the 34th Annual General Meeting of the Company seeking approval from the members.

The particulars relating to the Directors and all other relevant information are provided in the explanatory statement(s) forming part of the said Notice for the information of members.

(x) Responsibilities of the Board

The Board discharges its duties and responsibilities as required under various statutes applicable to the Company viz., the Companies Act, 2013, Guidelines/ Regulations/Directions issued by the Securities Exchange Board of India (SEBI), National Housing Bank (NHB), Insurance Regulatory & Development Authority of India (IRDAI), Reserve Bank of India (RBI) and such other Statutory and Regulatory Authorities, including reporting and disclosures to be made to the shareholders.

The Board reviews the legal compliance reports on a quarterly basis to ensure statutory/ regulatory compliances and also the steps taken for rectifying the instances of delayed compliances or non-compliances, if any.

The Board mainly oversees the Company's strategic direction, annual operating plans and budgets, capital budgets, financial results, minutes of the meetings of the committees, materially important notices, if any, compliance of regulatory and statutory requirements, performance review, assessment of the adequacy of

risk- management and possible steps for mitigation of risks, assets and liabilities management, liquidity monitoring strategic investments and safeguarding the interests of all stakeholders.

The Board performs all its key functions and discharges its duties and responsibilities, as required under the SEBI regulations, Companies Act, IRDAI/ NHB/RBI Directions and such other laws as applicable. The Board has laid down the code of conduct for all its members, including independent directors and senior management personnel of the Company. It also evaluates the independent directors including the performance and fulfilment of criteria of independence.

The Board has empowered the senior management to implement its broad policies and guidelines including the succession plan for senior management and has set up adequate review mechanisms and processes.

The Board has approved various policies for the Company. The Risk Management Committee reviews all the policies every year. The Nomination Remuneration and HR Policy, Related Party Transactions Policy, Code of Fair Disclosure, Familiarisation Policy, Corporate Governance Policy, Whistle blower Policy, Code of conduct for Directors/ Independent Directors, Policy on Disclosure of material events, Policy on prohibition of Insider Trading, Archival Policy, Dividend Distribution Policy, Policy for appointment of Statutory Central Auditors, etc., and new policies as approved by the Board and all other information and documents which are required to be displayed on the Company's official website as per Reg. 46 of the Listing Regulations are complied with and are made available on the website of the Company in `Policies & Codes' page.

(xi) Familiarisation Programme

The Company has in place a system of conducting the familiarization programmes for Independent Directors, as per which the Independent Directors were familiarised with their roles, rights, responsibilities, nature and business model of the Company, etc. The said policy and the details of the familiarization programmes imparted during FY 20–21 are placed on the website of the Company at https://www.canfinhomes.com/pdf/CFHL-Familiarisation-Programme-FY-2020–21.pdf

All Directors, including Independent Directors, on induction will be apprised of the industry and business model of the Company and the roles, rights, responsibilities in terms of the Companies Act and related rules, SEBI LODR Regulations, etc. Presentations on risk profile and risk management of the Company, internal and external audit plans, business and financial performance, updates on compliances, regulatory scenario and regulatory/ statutory changes which affect/concern the Company, policies, internal controls, investor relations, etc. were made at the various Committee/ Board Meetings of the Company.

Further, the Company also makes periodic presentations at the Board and Committee meetings on various aspects of the Company's operations, performance updates, industry scenario, business strategy, internal control, risks involved, mitigation plan, etc.

(xii) Code of Conduct

For the year under review, all the Directors and Senior Management Personnel have affirmed compliance with the provisions of their Code of Conduct. A declaration from the Managing Director & CEO of the Company is placed as Annexure-1 to this Report.

In terms of the Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013, the Board has adopted the said Code and all the Independent Directors have affirmed that they shall abide by the said Code. The Code of Conduct of Board of Directors, Independent Directors and Senior Management Personnel are made available in the Company's official website.

In terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 and/or HFCs Corporate Governance (NHB) Directions, 2016, all the Directors have executed the Declarations-cum-undertakings as well as the Deed of Covenants with the Company.

3. Committees of the Board

(i) There are seven Board Committees as on March 31, 2021, details of which are as follows:

Audit Committee

Extract of terms of reference

Committee is constituted in line with the provisions of Regulation 18 read with Part C (A) of Schedule II to the SEBI Listing Regulations, Section 177 of the Companies Act and NHB/ RBI Master Directions for HFCs.

The broad terms of reference are as under:

- Oversight of financial reporting process and the disclosure of its financial information.
- Reviewing with the management, the annual financial statements and auditors' report thereon before submission to the Board for approval, reviews and monitors the auditor's independence and performance and effectiveness of audit process. Discussion with auditors before audit commences about scope of audit as well as post audit discussion.
- Evaluation of internal financial controls and risk management systems, reviewing the adequacy of Internal Audit function; Discussion with the Internal Auditors of any significant findings and follow up thereon.
- Recommendation for appointment, remuneration and terms of appointment and approval of payment to auditors of the Company.
- Approve policies in relation to the implementation of the Insider Trading Code, related party transactions, whistle blower mechanism and to supervise implementation of the same.
- Reviewing the annual statement of funds utilized for purposes other than those stated in the offer document/ prospectus/notices, if any, scrutiny of inter-corporate loans and investments; and review of valuation of undertakings or assets of the company wherever it is necessary;
- Approval of appointment of Chief Financial Officer after assessing qualifications, experience, background etc.
- Evaluation of Internal Financial Controls and Risk Management Systems; reviewing the findings of any internal investigations by internal auditors into matters in case of suspected fraud or irregularity or failure of internal control systems etc.
- Looking into the reasons for any substantial defaults in payment to the Depositors, Debenture holders, Shareholders (in case of non-payment of declared dividend) and Creditors, if any;

Category and composition

Members	Number of meetings attended/ held during the year	Sitting Fee Paid (₹)
Shri Naganathan Ganesan, FCA, Chairman (Non-Executive Independent)	7/7	1,40,000
Dr. Vijayanand Yeluri, Member (Non-Executive Independent)	7/7	1,05,000
Shri Debashish Mukherjee, Member (Non-Executive Promoter)	3/4	45,000#
Smt. Shubhalakshmi Aamod Panse, Member (Non-Executive Independent)	4/4	60,000
Smt Bharati Rao, Member (Non-Executive Independent)@	3/3	45,000

Sitting fee paid to Canara Bank.

@Smt Bharati Rao, Member (Non-executive Independent Director) vacated office on completion of her tenure on 26/08/2020.

-Leave of absence was granted to the member as requested.

-Requisite quorum was present at the above Meetings.

-During the year, the Audit Committee was reconstituted.

Other details

- Seven meetings of the Audit Committee were held during the year under review i.e., on June 15, 2020, August 17, 2020, August 25, 2020, October 28, 2020, December 30, 2020, January 25, 2021, February 16, 2021 and the gap between two meetings did not exceed one hundred and twenty days.
- Committee invites such of the executives as it considers appropriate, representatives of the statutory auditors and internal auditors, to be present at its meetings.
- The Company Secretary acts as the Secretary to the Audit Committee.
- Shri Naganathan Ganesan, FCA, as Chairman of the Audit Committee was present at the Annual General Meeting of the Company held on August 26, 2020 to answer shareholders queries.

Nomination Remuneration and HR Committee (NRC)

Extract of terms of reference

Committee is constituted in line with the provisions of Regulation 19 read with Part D (A) of Schedule II to the SEBI Listing Regulations and Section 178 of the Companies Act and NHB/ RBI Master Directions for HFCs.

The broad terms of reference are as under:

- Recommend to the Board the setup and composition of the Board and its Committees. Devising policy on diversity of Board of Directors.
- Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;
- Formulation of criteria for determining qualifications, positive attributes & independence of director.
- Recommend to the Board for appointment/re-appointment of Directors, Key Managerial Personnel and senior management personnel. NRC reviews the information, declarations and undertakings given by the existing and proposed Director(s).
- Support the Board and Independent Directors in evaluation of the performance of the Board, its Committees and individual Directors.
- Recommend to the Board the Remuneration Policy for Directors, executive team or Key Managerial Personnel as well as the rest of employees. Reviewing the Remuneration to the employees of CFHL including the Senior Management Personnel in the form of incentives, performance-based incentives, viz., cash incentive, employee stock option scheme, ex-gratia, etc. either fixed or variable in nature, subject to statutory guidelines and Staff Service Regulations/ HR policies approved by the Board.
- Oversee familiarization programs for Directors
- NRC also reviews the HR matters

Category and composition

Members	Number of meetings attended/ held during the tenure of the member	Sitting Fee Paid (₹)
Dr. Vijayanand Yeluri, Chairman (Independent Non-Executive)	4/4	80,000
Shri Naganathan Ganesan, Member (Independent Non-Executive)	4/4	60,000
Shri Debashish Mukherjee, Member (Promoter Non-Executive)	3/4	45,000#
Shri Satish Kumar Kalra, Member (Independent Non-Executive)	1/1	15,000
Smt Bharati Rao, Member (Independent Non-Executive)@	3/3	45,000

Sitting fee paid to Canara Bank.

@Smt Bharati Rao, Member (Non-executive Independent Director) vacated office on completion of her tenure on 26/08/2020

-Leave of absence was granted as requested.

-Requisite quorum was present at the above Meetings.

-During the year, the NRC Committee was reconstituted.

Other details

- Four Nomination and Remuneration Committee meetings were held during the year under review i.e., on June 15, 2020, July 23, 2020, July 30, 2020 and January 25, 2021.
- The Company does not have any Employee Stock Option Scheme.
- Details of Remuneration Policy and Performance Evaluation Criteria are provided in page No. ___ of this Report.
- The Company Secretary is the Secretary to the Nomination Remuneration and HR Committee
- Dr Vijayanand Yeluri, as Chairman of the NRC was present at the Annual General Meeting of the Company held on August 26, 2020 to answer shareholders queries.

Stakeholders' Relationship Committee (SRC)

Extract of terms of reference	Category and composition			Other details
	Members	**Number of meetings attended/ held during the tenure of the member**	**Sitting Fee Paid (₹)**	
Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations and Section 178 of the Companies Act. The broad terms of reference are as under: • Reviews/approve processes, standard operating procedures and initiatives undertaken by the Company relating to investor service • Consider and resolve the grievances of security holders. • Consider and approve issue of share certificates /duplicate share certificates, transfer and transmission of securities, etc. • Review activities with regard to adherence to the service standards adopted in respect of various services being rendered by the Registrar & Share Transfer Agent. • Review measures and initiatives for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/ annual reports/ statutory notices by the shareholders. • Review of measures taken for effective exercise of voting rights by shareholders.	Dr. Vijayanand Yeluri, Chairman (Independent Non-Executive)	4/4	80,000	• Four meetings of the Stakeholders' Relationship Committee were held during the year under review i.e., on June 15, 2020, July 17, 2020, October 28, 2020 and January 25, 2021. • Details of Investor complaints and Compliance Officer are provided in page No. ___ of this Report. • Smt Veena G Kamath, Company Secretary is the Compliance Officer in terms of SEBI LODR Regulations. • The previous AGM of the Company was held on August 26, 2020 and was attended by Dr Vijayanand Yeluri, Chairman of the Committee to answer queries of the security holders.
	Shri Girish Kousgi, Member (Managing Director & CEO)	4/4	NA	
	Shri Naganathan Ganesan, Member (Independent Non-Executive)	4/4	60,000	
	Smt. Shubhalakshmi Aamod Panse, Member (Independent Non-Executive)	1/1	15,000	
	Smt Bharati Rao, Member (Independent Non-Executive) @	2/2	30,000	

NA – Not Applicable

@Smt Bharati Rao, Member (Non-executive Independent Director) vacated office on completion of her tenure on 26/08/2020.

-Requisite quorum was present at the above Meetings

-During the year, the SRC Committee was reconstituted.

Corporate Social Responsibility Committee (CSR)

Extract of terms of reference	Category and composition			Other details
Committee is constituted in line with the provisions of Section 135 of the Companies Act. The broad terms of reference are as under: • Formulate and recommend to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act. • Recommend the amount of expenditure to be incurred on the activities mentioned in the CSR Policy. • Review the CSR Policy • Review the status of CSR activities	**Members**	**Number of meetings attended/ held during the tenure of the member**	**Sitting Fee Paid (₹)**	• A CSR Committee meeting was held on October 28, 2020. • Details of CSR activities are provided in page No. ___ of this Report. • The Company Secretary acts as the Secretary to the Corporate Social Responsibility Committee. • The previous AGM of the Company was held on August 26, 2020 and was attended by Smt Bharati Rao, Chairperson of the Committee.
	Shri Venkata Prabhakar, Chairperson (Non-Executive Promoter Director)	1/1	20,000#	
	Shri Girish Kousgi, Member (Managing Director & CEO)	1/1	NA	
	Shri Naganathan Ganesan, Member (Non-Executive Independent Director)	1/1	15,000	
	Shri Shreekant M Bhandiwad, Member (Dy. Managing Director)	1/1	NA	

NA – Not Applicable

Sitting fee paid to Canara Bank.

-Requisite quorum was present at the above Meeting.

-During the year, the CSR Committee was reconstituted.

Risk Management Committee (RMC)

Extract of terms of reference	Category and composition			Other details
	Members	**Number of meetings attended/ held during the tenure of the member**	**Sitting Fee Paid (₹)**	
Committee is constituted in line with the provisions of Regulation 21 of SEBI Listing Regulations and in terms of NHB/RBI Directions. The broad terms of reference are as under: • Formulate, monitor and review risk management policy and plan, inter alia, cover monitoring and managing enterprise-wide risk i.e., overall risk in the Company. • Reviewing and monitoring the overall risk management framework for management of credit risk, market risk, operational risk, asset liability management, compliance risk, etc. • Review of risk profile of the Company at periodical intervals. • Reviewing the key risks associated with the business of the Company, causes and efficacy of the measures taken to mitigate the same and to apprise the Board of Directors. • Reviewing the ALCO proceeding • Reviewing all the Policies of the Company annually. • Reviewing Stress testing scenarios.	Shri Debashish Mukherjee, Chairperson (Non-Executive Promoter Director)	3/3	60,000#	• Three meetings of the RMC were held during the year under review i.e., on July 23, 2020, November 25, 2020 and March 19, 2021. • Details of role performed by Chief Risk Officer (CRO) are provided in page No. ___ of this Report. • The Company Secretary acts as the Secretary to the Risk Management Committee. • The previous AGM of the Company was held on August 26, 2020 and was attended by Shri Debashish Mukherjee, Chairman of the Committee.
	Shri Shreekant M Bhandiwad, Member (Dy. Managing Director)	3/3	NA	
	Smt. Shubhalakshmi Aamod Panse, Member (Non-Executive Independent Director)	2/2	30,000	
	Smt. Shamila M, Member (General Manager)	3/3	NA	
	Shri H R Narendra, Member (Chief Risk Officer)	3/3	NA	
	Smt Bharati Rao, Member (Non-executive Independent)@	1/1	15,000	

NA – Not Applicable

#Sitting fee paid to Canara Bank.

@Smt Bharati Rao, Member (Non-executive Independent Director) vacated office on completion of her tenure on 26/08/2020.

-Requisite quorum was present at the above Meetings.

-During the year, the RMC Committee was reconstituted.

IT Strategy Committee

Extract of terms of reference	Category and composition			Other details
	Members	**Number of meetings attended/ held during the tenure of the member**	**Sitting Fee Paid (₹)**	
IT Strategy Committee is constituted as per NHB guidelines NHB(ND)/DRS/ Policy Circular No.90/ 2017–18. The broad terms of reference are as under: • Conducts gap analysis between the current IT framework and stipulations as laid out in the specified circular and • To review and amend/ frame IT strategies as and when required.	Shri Naganathan Ganesan, Chairman (Non-Executive Independent Director)	2/2	40,000	• Two meetings of the IT Strategy Committee were held during the year under review i.e. on February 16, 2021 and March 8, 2021. • Approvals were obtained by way of Circular resolution during the first half of the year. • The Company Secretary acts as the Secretary to the IT Strategy Committee.
	Shri Girish Kousgi, Member (Managing Director & CEO)	2/2	NA	
	Shri Shreekant M Bhandiwad, Member (Dy. Managing Director)	2/2	NA	
	Smt. Shamila M, Member (General Manager)	2/2	NA	
	Shri B M Sudhakar, Member (Dy. General Manager)	2/2	NA	
	Shri Sikhin Tanu Shaw, Member (Assistant General Manager- IT)	2/2	NA	
	NA – Not Applicable Requisite quorum was present at the above Meetings.			

Management Committee (MC)

Extract of terms of reference	Category and composition	Other details
The broad terms of reference are as under: • Considers the proposals for sanction of loans to individuals/ builders, rates of interest on such loans, terms and conditions for sanction and certain other financial sanctions, related assignments in terms of the powers delegated to the Committee by the Board from time to time.	Shri Girish Kousgi, Chairman (Managing Director & CEO) Shri Shreekant M Bhandiwad, Member (Dy. Managing Director) Shri Debashish Mukherjee, Member (Non-Executive Promoter Director) Smt. Shubhalakshmi Aamod Panse, Member (Non-Executive Independent Director)	• During the year there were no loan proposals falling under the delegated powers of the Management Committee and hence there was no need for the Committee to meet. • The Company Secretary acts as the Secretary to the Management Committee.

(ii) Nomination Remuneration and HR Policy

(a) Nomination policy, among other things, includes:

i) Laying down the criteria which shall form the basis for enabling the Nomination Remuneration and HR Committee to identify persons who are qualified to become Directors of the Company, including Board Diversity. As per the Policy, the formulation of such criteria shall be aimed at determining qualifications, expertise, track record, integrity, positive attributes, independence of a Director and other `fit and proper' criteria at the time of appointment and on a continuing basis.

ii) Laying down the criteria which shall form the basis for enabling the Nomination Remuneration and HR committee to identify persons who may be appointed in the Senior Management of the Company.

iii) Evaluation of every Director's performance by NRC.

(b) The Remuneration policy, among other things, covers:

I. Remuneration for the Directors, Key Managerial Personnel and other employees of the Company.

II. The Remuneration to the employees of CFHL including the Senior Management Personnel in the form of incentives, performance- based incentives, viz., cash incentive, employee stock option scheme, ex-gratia, etc. either fixed or variable in nature, subject to statutory guidelines and Staff Service Regulations/ HR policies approved by the Board.

(c) Performance evaluation criteria for Independent Directors:

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board and in the evaluation process; the Directors who are subject to evaluation had not participated.

(d) Remuneration of Directors

For the financial year ended March 31, 2021, except for the Managing Director and Dy. Managing Director, there were no other Executive Directors on the Board of the Company. The remuneration paid to the Managing Director & CEO was as approved by the members at the last Annual General Meeting of the Company and the remuneration paid to the Dy. Managing Director was as approved by the members at the Annual General Meeting of the Company held in 2018 and the same were as per the Staff Service Regulations of Canara Bank as amended from time to time, within the limits prescribed under Schedule V of the Companies Act, 2013.

The non-executive directors are eligible to receive sitting fee for attending the meetings and reimbursement of any out-of pocket expenses towards boarding, lodging and transport/ conveyance etc. incurred, if any, for attending the meeting(s).

I. Pecuniary relationship or transactions of the non- executive directors

None of the Non-Executive Directors has any other material pecuniary relationship or transactions with the Company, its Promoters or its Directors or its Senior Management.

II. Criteria of remuneration to Non- Executive Directors

The Non-Executive Directors of the Company were paid only the sitting fee of ₹ 15,000/- for Committees and ₹ 30,000/- for Board and Chairing fee of ₹ 5,000/- to the Chairperson of the Board and Committees. No other remuneration is being paid to them. They are eligible for re-imbursement of boarding, lodging and travelling expenses for attending the meetings of Board and Committees. The Non-Executive Independent Directors of the Company have declared that they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013 and that they will abide by the provisions specified in Schedule IV of the said Act.

III. Disclosures with respect to remuneration of executive Directors

(i) All elements of remuneration package of individual directors are summarized under major groups, such as salary, benefits, bonus, stock options, pension., etc.

Managing Director & CEO – Shri Girish Kousgi: The remuneration package for FY21 includes; Salary ₹ 99,99,996/-; Incentive ₹ 9,15,555/-; 'Company's Contribution to PF ₹ 8,28,588/- and reimbursements of ₹16,51,000/-

Dy. Managing Director – Shri Shreekant M Bhandiwad: The remuneration package for FY21 includes; Salary – ₹ 27,89,231/; Incentive ₹ 3,00,877/-; Company's contribution to PF ₹ 2,47,195/- and reimbursements of ₹ 3,00,000/-.

(ii) Details of fixed component and performance linked incentives, along with the performance criteria: The performance linked incentive given to the executive directors for FY21 was ₹ 12,16,432/-. Incentive to the extent of 80% of the eligible amount was paid due to Covid pandemic situation. The criteria includes qualitative and quantitative parameters.

Quantitative: Fresh approvals, Disbursements, growth in loan book, NHL and Deposits, Gross NPAs, PAT, NIM, ROA & ROE.

Qualitative: Leadership & brand building, HR, IT initiatives, Customer Centricity, Adherence to KYC/AML guidelines, Prevention/ Detection of frauds, Quality of compliance of Inspection and Audit Reports.

(iii) Service contracts, notice period, severance fee: Service contract has been executed with Shri Girish Kousgi, Managing Director & CEO, for a tenure of 5 years with a Notice period of 3 months. The terms and conditions of appointment including remuneration was placed in the Annual General Meeting held in the year 2020.

(iv) Stock option details, if any, and whether issued at a discount as well as the period over which accrued and over which exercisable: Not applicable

The Nomination Remuneration and HR Policy of the Company is available on the website of the Company https://www.canfinhomes.com/pdf/Nomination-Remuneration-and-HR-Policy-2021.pdf

(iii) Shareholder Complaints & grievances

There were no complaints pending at SEBI SCORES as at the beginning of the financial year and during the year only one complaint was received and the same was pending for closure as at the end of the financial year ended March 31, 2021. The Company had submitted action taken report to SEBI on March 18, 2021 and the complaint was closed by SEBI on May 18, 2021.

Shareholders Grievances/ Representations Statistics

Complaints/ Representations received related to non-receipt of Annual Reports/ dividend/ Split share certificate etc.	113
Complaints not solved to the satisfaction of shareholders	Nil
Pending Complaints*	1

*As mentioned above, resolved on May 18, 2021.

(iv) CSR Activities

The Company has given importance to Covid 19 pandemic relief, promoting education including special education and employment in enhancing vocation skills especially among children. The other areas of focus are construction of School buildings and hostels, healthcare sector, conservation of Solar energy and ecological balance providing food and nutrition to children etc. During the year the Company also worked in the environmental sustainability by distributing saplings and cotton bags, providing solar lighting to an entire village viz., Sollepura Dodde, Bengaluru South.

Other information relating to the particulars on spending in terms of the Corporate Social Responsibility Policy and reasons for not spending/carrying forward the balance amount,

if any, during the current year are disclosed in a separate report Annexure – 2 to the Report of Directors, forming part of this Annual Report.

(v) Chief Risk Officer (CRO)

During FY 20, the Company had appointed Shri H R Narendra, Asst. General Manager as the Chief Risk Officer (CRO) who is inter-alia responsible for identifying, monitoring and overseeing risks, including potential risks to the Company and reporting to the Managing Director. Necessary measures have been put in place by the Board to safeguard the independence of the CRO. The CRO will meet the members of the Risk management Committee/ Board at least once in a quarter in accordance with the norms set out by NHB/RBI. Further, the CRO has vetted the credit products offered by the Company from the perspective of inherent and control risks.

The CRO did not have any reporting relationship with business verticals of the Company or business targets.

(vi) Other details

The Audit Committee, the Nomination Remuneration & HR Committee, the Stakeholders' Relationship Committee and IT Strategy Committee are chaired by Independent Directors.

The Independent Directors are not paid any fee/ remuneration apart from sitting fee for attending the meetings.

Depending upon the need, the Committees invite the Senior Management Personnel/Functional Heads, Statutory Auditors/Branch Auditors of the Company, Tax Consultant, Internal Auditors and such other professionals with relevant expertise, to attend the meetings and provide clarifications on certain specific issues, if any.

The dates of meetings of the above Committees are decided in consultation with the Chairperson of the respective Committees and intimated to its members in advance. The agenda papers are prepared in advance and circulated among the members of the Committees by digital mode.

4. General body meetings/ postal ballots

The details of annual general meetings held during the last three years are as follows:

Year ended	Date and Time	Venue	Special Resolutions passed
March 31, 2020	Wednesday, August 26, 2020 at 11:00 AM (through Video-Conference)	Registered Office: No. 29/1, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004	1. To borrow amounts not exceeding ₹ 27,500 Crore 2. Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount not exceeding ₹ 4000 Crore, on private placement 3. Further issue of shares / specified securities not exceeding ₹ 1000 Crore
March 31, 2019	Wednesday, July 17, 2019 at 11:00AM	NIMHANS Convention Centre, Opp. Lakkasandra Bus Stop, Hosur Road, Bengaluru, Karnataka, 56002	1. Re-appointment of Shri Naganathan Ganesan, FCA, as an Independent Director. 2. To borrow amounts not exceeding ₹ 23,000 Crore. 3. Approval for Offer or invitation for subscription of Non-Convertible Debentures (NCD) or bonds, secured or unsecured, of any nature upto an amount of ₹ 6000 Crore on private placement. 4. Further issue of securities through QIP and/or preferential issue of an amount not exceeding ₹ 1000 Crore. 5. Alteration of Articles of Association – Deletion of clauses relating to 'Common Seal'
March 31, 2018	Wednesday, July 18, 2018 at 11:00 AM	Same as above	1. To borrow amounts not exceeding ₹ 20,000 Crore. 2. Offer or invitation for subscription of Non-Convertible Debentures (NCD) or bonds, secured or unsecured, of any nature upto an amount of ₹ 6000 Crore on private placement. 3. Further issue of shares/ specified securities

Postal ballot

1. Details of Special Resolutions passed through Postal Ballot in the last year: NA

2. Person who conducted the postal ballot exercise: NA

3. Whether any Special Resolution is proposed to be conducted through postal ballot: No resolution is proposed to be conducted through Postal Ballot as on the date of AGM.

4. Procedure for Postal Ballot: Your Company follows the provisions of the Companies Act, 2013 and Listing Regulations 2015 for Postal Ballot, if any.

5. Means of Communication to the shareholders

The Company has about 68,590 shareholders all over India as on March 31, 2021 as against 72,201 as on March 31, 2020.

The means of communication to the shareholders includes;

(a) Quarterly Results - The Company, immediately after conclusion of the meetings of the Board of Directors, uploads the quarterly/annual financial results on the website 'NEAPS' of National Stock Exchange of India Limited and 'Listing Centre' of BSE Limited and simultaneously uploads the same on the Company's website https://www.canfinhomes.com within the prescribed time.

The Company also publishes the abridged version of unaudited/audited financial results on a quarterly/ annual basis, in the prescribed format, in leading newspapers in English and in the regional language viz., Kannada, within the prescribed period.

(b) Newspapers wherein results normally published - The Company normally publishes the abridged version of audited/ unaudited financial results in leading newspapers in English viz., Financial Express and in the Regional Language i.e., Kannada in the newspapers viz., Kannada Prabha.

(c) Display on website - The Company displays all the reports/ statements/ notices and such other documents as required/ applicable under the statutory and regulatory requirements on the official website of the Company https://www.canfinhomes.com The Company also uploads all such documents online on National Stock Exchange of India Limited website https://neaps.nseindia.com/NEWLISTINGCORP/ and BSE Limited website http://www.listing.bseindia.com for dissemination.

Investors' page on the website of the Company - The 'Investor Page' (https://www.canfinhomes.com/investorpresentation.aspx) provides quarterly results and presentation made by the Company covering pictorial representation of the statistical data, annual performance compared, key ratios etc. The page also discloses the un-audited results on a quarterly basis together with the limited review reports and the audited annual financial results, annual reports, the shareholding pattern, unclaimed/ unpaid dividend/deposits, Fair Practice Code, KYC guidelines, nomination by members, ECS mandate, dematerialization of shares, SEBI circulars insisting for payments to members through electronic mode etc., complete details about the Registrar and Transfer agents, details of the Compliance Officer, FAQ on tax deductible at source (TDS) on dividend etc. with select download facilities, for the information and utility of the shareholders of the Company. The intimations relating to Institutional Investors or Analysts meet are informed to the stock exchanges in terms of Regulation 30 of the SEBI regulations and similar information is made available on the Company's website within the prescribed time as and when applicable.

(d) Official News releases - Dissemination of information through television/press: The Managing Director provides brief information on quarterly/annual results and corporate actions on TV channels and in print media, within the permissible disclosure norms. The intimations of such press releases/ television interviews are informed to the stock exchange in terms of Regulation 30 of the SEBI regulations and similar information is made available on the Company's website.

(e) Presentations made to Institutional Investors or to the Analysts – The Managing Director, Deputy Managing Director, General Manager and Chief Financial Officer interact with the analysts/investors and participate in the Conference calls arranged by reputed Institutional Investors. The records of interaction are made available on the Company's official website within the permissible disclosure norms.

(f) Annual Report: The Annual Report encompasses operational and financial highlights for the current year in comparison with previous years, Report of Directors, Management Discussion and Analysis Report, Report of the Directors on Corporate Governance and Audited Financial Statements together with the Auditors Report. The annual report also contains a section on `General Information to

Shareholders' which inter-alia provides information relating to Annual General Meetings, shareholding pattern, distribution of shareholding, voting rights and the monthly high and low market price of equity shares during the year, etc. and the information as required under statutory and regulatory guidelines.

(g) **Stock Exchanges:** The Company uploads/discloses all material information online about the Company including shareholding pattern, report on corporate governance, reconciliation of share capital audit, status of investor's complaints, certificates from RTA, disclosure on related party transactions, annual secretarial compliance report, Debentures Trustees and intimations/disclosure of material events, certification on utilization of the proceeds of Non-convertible debentures and Commercial papers for the purpose for which the same are raised, Large corporate disclosures, etc. periodically to the National Stock Exchange of India Ltd. and BSE Limited.

(h) **Investor grievance redressal mechanism:** The Company has provided a separate e-mail ID for shareholders services viz., investor.relationship@canfinhomes.com and the investor grievance redressal mechanism is in place. A Grievance Redressal Portal has been made available on the website of the Company.

(i) **Meetings:** The principal forum for interaction/discussion with shareholders be it individuals, corporates or foreign investors is the annual general meeting of the Company.

(j) **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company and online viewing by investors of actions taken on the complaint and its current status are updated/resolved electronically in the SEBI SCORES system.

(k) **Other information:** The details relating to the director(s) proposed to be appointed/re-appointed at the ensuing Annual General Meeting are provided as an annexure to the notice convening the said meeting.

In recognition of the initiative taken by the Ministry of Corporate Affairs (MCA), Government of India and as a contribution towards a greener environment the Company has been sending all documents like General Meeting Notices (including AGM), Audited Financial Statements, Report of Directors, Auditors Report, etc. to a significant number of shareholders to their registered e-mail address made available to the Company by the Depositories or by the members themselves to the Company or its Registrar & Transfer agents. The above documents would also be available on the website of the Company https://www.canfinhomes.com/investor.aspx

The Annual Report of the Company for the financial year 2020-21 will be e-mailed to the members as stated above and in compliance with the guidelines issued by MCA vide its various notifications and circulars since March 2020, relaxing various requirements during the present scenario of COVID-19 pandemic. If any member wishes to get a hard copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member and upon normalisation of postal services.

6. Other disclosures

(a) Materially significant related party transactions

The Company has a policy in place on the Related Party Transactions. The policy defines clearly the transactions which require approval from Audit Committee, the Board of Directors and members at the Annual General Meeting, provision for prior approval, periodical review, omnibus approval, transactions in the ordinary course of business or otherwise, transactions within arm's length basis or otherwise, materiality of the transactions as defined under Regulation 23 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, as applicable, and threshold limits as defined and in conformity with the provisions of the Companies Act, 2013, the related rules and the requirements under said regulations, as amended from time to time. The Company has been entering into contracts and arrangements with the promoter and sponsor bank viz., Canara Bank since incorporation, in the ordinary course of business.

The Company has been maintaining current accounts for business transactions, availing Term Loans, Overdraft facilities, making payment of interest, placing short term/long term deposits to meet the statutory liquidity limits (SLR purpose) and collecting/ recovering interest thereon maintaining dividend accounts, leasing out business or residential premises, if any, of the Company to the Bank on rent or occupy any business or residential premises of the Bank on rent, paying bank charges to the Bank, in the normal course of business borrow by way of

Commercial Papers, Non-convertible Debentures, term loans, etc. The Company has also been availing the services of Canbank Computer Services Ltd., a subsidiary of the Sponsor Bank, as the Registrar & Share Transfer Agents of the Company (RTA) and also call centre unit for collections. Further, the Company has registered itself with the Insurance Regulatory & Development Board of India w.e.f. December 01, 2017 and has inter-alia, entered into Distribution Agreement and Service Level Agreement with Canara HSBC OBC Insurance Company Ltd., (CHOICe), a joint venture Company of Canara Bank for carrying out Insurance agency business and has been earning commission income for the same from CHOICe.

The Company has obtained prior approval/ratification of the shareholders for the material related party transactions which would be entered into or already entered into by the Company with Canara Bank and/or its subsidiaries for an amount not exceeding ₹6,000 Crore (Rupees Six Thousand Crore) only, by way of ordinary resolution at the 32rd Annual General Meeting of the Company held on July 17, 2019.

As on March 31, 2021 the overall related party transactions of the Company outstanding with Canara Bank and/or its subsidiaries was ₹ 2270.95 Crore.

The Company has been disclosing all the transactions with related parties on a quarterly basis to the stock exchanges along with the compliance report on Corporate Governance in terms of Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

The disclosure in compliance with the Accounting Standard on 'Related Party Disclosures' as required under Regulations 34(3) and 53(f) read with `Part A Schedule V' of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015, are disclosed by the Company in the Notes forming part of the financial statements (**Note No. 42 at page No. 146** of the Annual Report) and the particulars of such contracts/ arrangements are provided as an annexure to the Report of Directors. This is also in compliance of the HFCs Corporate Governance (NHB) Directions, 2016 and Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

In compliance with Regulation 23(9) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has submitted to the stock exchanges a note on Related Party Transactions, to the extent applicable, drawn in accordance with applicable accounting standards for the half year ended March 31, 2021.

The Company's Related Party Transactions Policy mainly covers the objectives, scope, transactions that are considered as related party transactions, identification of potential related party transactions, approval of related party transactions, procedure for seeking approval, review, disclosures etc. The Company's Related Party Transactions Policy is on the website of the Company placed at https://www.canfinhomes.com/pdf/Related-Party-Transactions-Policy-2021–22.pdf and also placed at the end of this Annual Report.

(b) Details of non-compliance by listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the Board or any statutory authority, on any matter related to capital markets, during the last three years;

The Company has complied with the requirements relating to Stock Exchanges / SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. No penalty or strictures were imposed on the Company by any of these authorities. None of the Company's listed securities is suspended from trading.

(i) During 2018–19, NHB vide its letter NHB(ND)/ DRS/ APPEAL1/17/A-744/2019 dated January 17, 2019 had imposed a penalty of ₹ 5,900/- (inclusive of GST@18%) for alleged contravention of section 32 of the NHB Act, 1987 and the Fair Practice Code issued by NHB, for which the Company had sent a reply to NHB and remitted the amount under protest.

(ii) During 2020–21, NHB vide its letter dated October 15, 2020 had imposed a penalty of ₹ 5,900/- (inclusive of GST@18%) for alleged contravention of section 29 of the NHB Act, 1987, relating to creation of floating charge on SLR investments in favour of the Deposit Trustee, on SLR investment maintained to an extent of more than 13% (requirement 13%) on the total public deposit outstanding as on the last day of 2nd preceding quarter. The Company had sent a reply to NHB and remitted the amount.

During 2021–22, NHB vide its letter dated 11/06/2021, has imposed a penalty of ₹29,13,234/- plus applicable GST @18%, for accepting individual deposits aggregating to ₹14,56,617/- from five small depositors for a period of less than 12 months during 2018–19, in

contravention with provisions of Para 4 of the HFCs (NHB) Directions, 2010. The Company had replied to NHB that five deposits aggregating to ₹14,56,617/- (out of about 4000 deposits), were accepted in the year 2018-19 for a tenure of less than 12 months by three of its branches inadvertently. NHB has imposed a penalty of twice the amount of deposits collected, i.e., ₹29,13,234/-. The Company has remitted the amount and has preferred an appeal to NHB against the levy of penalty.

Regulatory orders: There were no regulatory orders pertaining to the Company for fiscal 2021.

(c) Details of establishment of vigil mechanism / whistle blower policy

The Company has adopted a Whistle Blower Policy/ vigil mechanism for the Directors, employees and other stakeholders to enable them to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct. Under this mechanism, the improper practice, if any, in the Company, can be directly reported to the Audit Committee. A communication in this regard has been sent to all the employees of the Company and reiterated during the Branch Managers' Conference, training programmes and in Circulars.

The Company affirms that the mechanism provides adequate safeguards against victimisation of Director(s)/ employee(s) who use the mechanism, provides for direct access to the Chairperson of the Audit Committee and also affirms that no personnel have been denied access to the Audit Committee.

The details of establishment of the mechanism has been placed by the Company on its website at https://www.canfinhomes.com/pdf/Whistle-Blower-Policy-2021-22.pdf

d) Policy on Prevention, Prohibition and Redressal of Sexual Harassment at Work place:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on Prevention, Prohibition and Redressal of Sexual Harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder. The Policy aims to provide protection to employees at workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto, with the objective of providing a safe working environment, where employees feel secure. The Company has revisited the Internal Complaints Committee members and emphasized on the roles and responsibilities expected from the members.

Disclosures under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013:

Number of Complaints filed during the financial year 2020-21	Nil
Number of Complaints disposed of during the Financial year 2020-21	Nil
Number of Complaints pending as on end of the financial year 2020-21	Nil

(e) Details of compliance with mandatory requirements:

The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and all the applicable clauses of Regulation 46 of the Listing Regulations.

This Corporate Governance Report of the Company for the FY20-21 and as on March 31, 2021 are in compliance with the requirements of Corporate Governance under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A certificate on compliance of Corporate Governance requirements, issued by the Statutory Auditors for the financial year ended March 31, 2021 is annexed to the Report of Directors in this Annual Report.

(f) Subsidiaries

The Company has no subsidiaries and as such the requirement of certain compliances relating to subsidiaries, as prescribed, are not applicable.

(g) Commodity risks faced by the Company during the year and commodity hedging activities: Not applicable.

(h) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32(7A): Nil for the year.

(i) Certification from Company Secretary in Practice

Shri S Kedarnath, M/s. S. Kedarnath & Associates, Practicing Company Secretaries, has conducted Secretarial Audit and his Audit Report is annexed to the

Report of the Directors and will be submitted to the stock exchanges and the Ministry of Corporate Affairs along with the Annual Report. He has also issued a certificate as required under the Listing Regulations, confirming that none of the directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as director of companies by the SEBI / Ministry of Corporate Affairs or any such statutory authority. He has also issued a Certificate under Secretarial Compliance as required under Regulation 24A of the Listing Regulations. The above certificates are enclosed with the Report of Directors as Annexure-2.

(j) Recommendations by Board Committees

There have been no instances during the year where recommendations of the any Committee of the Board were not accepted by the Board.

(k) Statutory Auditors Fee

Total fees for all services paid by the Company on a consolidated basis, to the Statutory Auditors, is given below:

Auditors Remuneration	₹ in Lakhs
Audit Fees (Including Branch Statutory Auditors fees and Tax audit)	50.27
Tax Matters	-
Other Services (Certifications etc.)	4.99
Out of Pocket Expenses	3.00
Total	58.26

For more details please refer Notes to account – Note No.29.1

(l) Compliance with Accounting Standards

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as applicable read with Section 133 of the Companies Act, 2013 and guidelines issued by National Housing Bank/ Reserve Bank of India, as amended from time to time.

(m) Shareholding of Non- Executive Directors

None of the Non-Executive Directors of the Company hold any equity shares of the Company.

(n) Management Discussion and Analysis Report

The Management Discussion and Analysis Report forms part of the Report of the Directors, which includes discussion on industry structure, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control systems and their adequacy, financial performance with respect to operational performance, developments, if any, in Human Resources/Industrial Relations front, including number of people employed, details of significant changes in key financial ratios etc. The Senior Management personnel have made disclosures to the Board relating to all material transactions, where they have personal interest, which has a potential conflict of interest, if any, with the Company at large. The Company has disclosed the Code of Conduct for the Board and senior management, on the website of the Company.

(o) Insider Trading Regulations

The Company has adopted the Code of Conduct for Prevention of Insider Trading and Fair Disclosure of Unpublished Price Sensitive Information. This Code of Conduct is applicable to all the Directors and such designated persons who are expected to have access to unpublished price sensitive information relating to the Company. During the year, the Company has amended the Code in line with the SEBI (Prohibition of Insider Trading) (Amendment) Regulations, 2020. The amended policy is available on our website at https://www.canfinhomes.com/pdf/Code-of-Conduct-on-PIT-Fair-Disclosure-of-UPSI-20032021.pdf

The Company has a software for tracking the movement/ exchange of unpublished price sensitive information and also a digital database of the designated persons for the purpose.

(p) Particulars of Directors seeking appointment / re-appointment at the ensuing Annual General Meeting have been provided in the Notice of the Annual General Meeting.

7. Compliance with discretionary requirements

The status of adoption of the non- mandatory requirements as specified in Regulation 27(1) of the SEBI (LODR) Regulations, 2015, are as follows:

(i) **The Board:** The Chairperson of the Company is Non-Executive Chairperson;

(ii) **Shareholder Rights:** Half-yearly and other quarterly financial statements are published in newspapers, uploaded on Company's website https://www.canfinhomes.com/, submitted to Stock exchanges on which Equity shares/ Non-convertible debentures of the Company are listed viz., the National Stock Exchange of India Ltd., and the BSE Limited; The Company protects and facilitates exercise of the rights of shareholders.

(iii) **Modified opinion(s) in audit report:** There were no qualifications/modified opinion(s) on financial statements by the Auditors.

(iv) **Reporting of Internal Auditor:** The Internal Auditor(s) of the Company may report directly to the Audit Committee without restrictions. The Internal Auditors, as stakeholders, have direct access to the Chairperson of the Audit Committee under the Whistle Blower Policy of the Company, which is made available on the website at https://www.canfinhomes.com/pdf/Whistle-Blower-Policy-2021-22.pdf

8. The Disclosures of the Compliance with Corporate Governance Requirements Specified in Regulation 17 to 27 and Regulation 46(2) of SEBI LODR Regulations, 2015 read with its Amendments.

Sl. No.	Particulars	Regulations No.	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
1	Board of Directors	17(1)	Composition and Appointment of Board	Yes
		17(2)	Meeting of Board of Directors and quorum	Yes
		17(3)	Review of Compliance Reports	Yes
		17(4)	Plans for orderly succession for appointments	Yes, as and when applicable
		17(5)	Code of Conduct	Yes
		17(6)	Fees/Compensation to Non-Executive Directors	Yes
		17(7)	Minimum Information to be placed before the Board	Yes
		17(8)	Compliance Certificate by Chief Executive Officer and Chief Financial Officer	Yes
		17(9)	Risk Assessment procedures & Management plan	Yes
		17(10)	Evaluation of Independent Directors	Yes
		17(11)	Recommendation of Board for each item of special Business to be transacted at AGM	Yes
2	Maximum Number of Directorships	17A	Directorships in listed entities	Yes
3	Audit Committee	18(1)	Composition of Audit Committee & Presence of the Chairman of the Committee at the Annual General Meeting	Yes
		18(2)	Manner of conducting Audit Committee meeting	Yes
		18(3)	Role of the Committee and Review of information by the Committee	Yes
4	Nomination and Remuneration Committee	19(1) & (2)	Composition of Nomination and Remuneration Committee and Quorum	Yes
		19(3) & (3A)	Presence of the Chairman of the Committee at the AGM & minimum frequency of holding meeting	Yes
		19(4)	Role of the Committee	Yes
5	Stakeholders' Relationship Committee	20(1), (2), (3) & (3A)	Composition of Stakeholder Relationship Committee, Presence of the Chairman of the Committee at the AGM & minimum frequency of holding meeting	Yes
		20(4)	Role of the Committee	Yes
6	Risk Management Committee	21(1), (2) & (3)	Composition of Risk Management Committee, frequency, quorum and manner of conducting meeting	Yes
		21(4)	Role of the Committee,	Yes

Sl. No.	Particulars	Regulations No.	Brief Descriptions of the Regulations	Compliance Status (Yes/No/N.A.)
7	Vigil Mechanism	22 (1) & (2)	Formulation of Vigil Mechanism for Directors and Employee, Adequate safeguards against victimization and Direct access to Chairperson of Audit Committee	Yes
8	Related Party Transaction	23(1),(5),(6), (7) & (8)	Policy on Materiality of related party transactions and dealing with related party transactions	Yes
		23(2) & (3)	Approval including omnibus approval of Audit Committee for all Related Party Transactions and review of transaction by the Committee periodically	Yes
		23(4)	Approval for Material Related Party Transactions	Yes
		23(9)	Disclosures of related party transactions to stock exchanges	Yes
9	Subsidiaries of the Company	24(1)	Composition of Board of Directors of Unlisted Material Subsidiary	NA
		24(2), (3), (4), (5) & (6)	Other Corporate Governance requirements with respect to Subsidiary including Material Subsidiary of listed Entity	NA
10	Secretarial Audit	24 (A)	Annual Secretarial Audit Report and Annual Secretarial Compliance Report	Yes
11	Obligations with respect to Independent Directors	25(1)&(2)	Maximum Directorship & Tenure	Yes
		25(3)	Meeting of Independent Directors	Yes
		25(4)	Review of Performance by the Independent Directors	Yes
		25(7)	Familiarisation of Independent Directors	Yes
		25(8 & 9)	Declaration from Independent Director that he / she meets the criteria of independence	Yes
		25(10)	Directors and Officers insurance for all the Independent Director	Yes
12	Obligations with respect to Senior Management, KMP, Directors and Promoters	26(1)&(2)	Memberships & Chairmanship in Committees	Yes
		26(3)	Affirmation with compliance to code of conduct from members of Board of Directors and Senior Management Personnel	Yes
		26(5)	Disclosures by Senior Management about potential conflicts of Interest	Yes
		26(6)	Not entering into agreement by employees including KMP or director or promoter	Yes
13	Other Corporate Governance Requirements	27(1)	Compliance of Discretionary Requirements	Yes
		27(2)	Filing of Quarterly Compliance Report on Corporate Governance	Yes
14	Disclosures on Website of the Company	46(2)(a)	Details of business	Yes
		46(2)(b)	Terms and conditions of appointment of Independent Directors	Yes
		46(2)(c)	Composition of various committees of Board of Directors	Yes
		46(2)(d)	Code of Conduct of Board of Directors and Senior Management personnel	Yes
		46(2)(e)	Details of establishment of Vigil Mechanism / Whistle Blower policy	Yes
		46(2)(f)	Criteria of making payments to Non-Executive Directors	Yes
		46(2)(g)	Policy on dealing with Related Party Transactions	Yes
		46(2)(h)	Policy for determining 'material' subsidiaries	NA
		46(2)(i)	Details of familiarization programmes	Yes

9. Compliance with the Code of Conduct:

The Company has adopted the "Code of Conduct for Directors & Independent Directors" and "Code of Conduct for Senior Management of Can Fin Homes Ltd". The Codes are available on the website of the Company at https://www.canfinhomes.com/policies-codes.aspx

The Managing Director and CEO of the Company has given a declaration that the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of conduct of Board of Directors and Senior Management respectively, during the FY21. The said declaration has been placed as Annexure 1 to this Report.

10. CEO and CFO Certification

In terms of Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015, a certificate from the Chief Executive Officer (CEO) and the Chief Financial Officer (CFO) of the Company confirming, amongst other aspects, the correctness of the financial statements, adequacy of internal control measures and matters to be reported to the Audit Committee, were taken on record at the Board meeting held on April 30, 2021 convened for approval of the audited financial results of the Company for the year under review. The said certification has been placed as Annexure 3 to this report.

11. Disclosures with respect to demat suspense account/ unclaimed suspense account

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, details of equity shares in the suspense account are as follows:

Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	7	2275 shares of ₹2/- each
Shareholders who approached the Company for transfer of shares from suspense account during the year	Nil	Nil
Shareholders to whom shares were transferred from the suspense account during the year	Nil	Nil
Aggregate number of shareholders and the outstanding shares in the suspense account lying as on March 31, 2021	7	2275 shares of ₹2/- each

The voting rights on the shares outstanding in the suspense account as on March 31, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

12. Green Initiative in Corporate Governance

Rule 11 of the Companies (Accounts) Rules, 2014 permits circulation of Annual Report through electronic means to such of the Shareholders whose e-mail addresses are registered with NSDL or CDSL or the Shareholders who have registered their e-mail IDs with the Company to receive the documents in electronic form and physical copies to those Shareholders whose e-mail IDs have not been registered either with the company or with the depositories.

To support this green initiative of the Government, Shareholders are requested to register their e-mail addresses, with the Depository Participants (DP's) in case shares are held in dematerialized form and with the R & T Agents in case the share are held in physical form and also intimate changes, if any, in their registered e-mail addresses to the company/DPs, from time to time.

13. Report on Corporate Governance

The Company has complied with the mandatory requirements as stipulated under Regulation 27 and Part C (11) of Schedule V of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. The quarterly compliance reports on corporate governance together with a statement on related party transactions are submitted by the Company to the stock exchanges within the prescribed time limit, duly signed by the Compliance Officer of the Company. The Corporate Governance reports are uploaded in the Company's website for the information of all stakeholders.

For and on behalf of the Board of Directors

Sd/-

Venkata Prabhakar

Chairperson

Place: Bengaluru

Date : July 31, 2021

Annexure 1

DECLARATION BY THE CEO – CODE OF CONDUCT

[Schedule V(D) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Board of Directors,
Can Fin Homes Ltd.
Bengaluru

Dear members of the Board,

Sub: Compliance with Code of conduct by the Board of Directors and Senior Management.

I, Girish Kousgi, Managing Director & Chief Executive Officer of Can Fin Homes Ltd., hereby declare that all the members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management for the financial year ended March 31, 2021.

Sd/
Girish Kousgi
Managing Director & CEO

Place: Bengaluru
Date: April 19, 2021

Annexure 2

CERTIFICATE BY PRACTICING COMPANY SECRETARY

[Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members
Can Fin Homes Limited,
Bengaluru-560004

In pursuance of sub clause (i) of clause 10 of Part C of Schedule V of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015; in respect of Can Fin Homes Limited (CIN: L85110KA1987PLC008699), and having registered office at No. 29/1, 1st Floor, Sir M N Krishna Rao Road, Near Lalbagh West Gate, Basavanagudi, Bengaluru–560004, it is hereby certified that:

In our opinion and to the best of our information and on the basis of examination of the relevant registers, records, forms, returns, verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) and written representations/ declarations received from the directors and taken on record by the Board of Directors, as considered necessary, none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the companies by the SEBI, Ministry of Corporate Affairs or any such other statutory authority for the period ended as on March 31, 2021.

For S. KEDARNATH & ASSOCIATES

Sd/-
S.Kedarnath
Company Secretary
CS No. 3031, CP No. 4422
UDIN No. F003031C000503036

Place: Bengaluru
Date: June 23, 2021

Annexure 3

CEO/CFO CERTIFICATION FOR THE YEAR ENDED MARCH 31, 2021

[Pursuant to Regulation 17(8) and Part B of Schedule II of SEBI (LODR) Regulations, 2015]

The Board of Directors
Can Fin Homes Limited
Bengaluru

Dear Board members

Sub: CEO and CFO certification for the year ended March 31, 2021 in terms of Regulation 17(8) Part B of SEBI (Listing obligations 8l Disclosure Requirements) Regulations, 2015

In terms of Regulation 17(8) read with Part B of the SEBI (Listing obligations & Disclosure Requirements) Regulations 2015, we certify that:

a) We have reviewed financial statements and the Cash Flow statement for the year ended March 31, 2021 and that to the best of our knowledge and belief:

   i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year ended March 31, 2021, which are fraudulent, illegal or violative of the company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.

d) We have indicated to the auditors and the Audit Committee

   i. Significant changes in internal control over, financial reporting during the year;

   ii. Significant changes in accounting policies during the year requiring disclosure in the notes to the Financial Statements and the same have been disclosed in the notes to the financial statements; and

   iii. Instances during the year of significant fraud, if any, with involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

	Sd/-	Sd/-
Place: Bengaluru	**Prashanth Joishy**	**Girish Kousgi**
Date: April 30, 2021	Asst. General Manager & CFO	Managing Director & CEO

General Information to Shareholder

This section of the Annual Report offers information to the shareholders pertaining to the Company, its shareholding pattern and means of dissemination of information, service standards, share price movements and such other information as required under regulation 34(3) read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, hereinafter referred to as `SEBI regulations'.

Pursuant to Circular issued by Ministry of Corporate Affairs ('MCA') dated May 05, 2020 read together with MCA General Circular Nos. 14 & 17/2020 dated April 08, 2020 and April 13, 2020 respectively and SEBI's Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, companies were allowed to conduct their AGM through Video Conferencing (VC) or Other Audio Visual Means (OAVM) for the calendar year 2020. Accordingly, the Company conducted the AGM through VC/OAVM facility. Further, MCA General Circular No. 02/2021 dated January 13, 2021 and SEBI Circular SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 has further extended relaxations to companies to conduct their AGMs through Video Conferencing (VC) or through Other Audio-Visual Means (OAVM). Members can join the AGM in the VC/OAVM mode 15 minutes before the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice of AGM and this mode will be available throughout the proceedings of the AGM.

34TH ANNUAL GENERAL MEETING (AGM)

Date and time	Mode Participation through Video Conferencing and Other Audio-Visual Means (OAVM)	E-voting dates
Wednesday, September 08, 2021 at 11:00 a.m. IST	**Webcast and transcripts** https://www.canfinhomes.com/events.aspx Meeting is being conducted through VC/OAVM pursuant to the MCA Circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020 and January 13, 2021. Deemed venue for the meeting: Can Fin Homes Ltd. Registered Office, No. 29/1, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru–560004	September 04 – 07, 2021

Financial calendar

The Company's financial year begins on April 1 and ends on March 31. Our tentative calendar for holding meetings of the Audit Committee and Board of Directors for declaration of results for the financial year 2021–22 are as given below:

Nature of Meeting	Purpose	Probable date	Trading window closure
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending June 30, 2021.	During Second/ Third week of July, 2021	From 30/06/2021 to 48 hours (2 days) after disclosure of financial results
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending September 30, 2021.	During Second/ Third week of October, 2021	From 30/09/2021 to 48 hours (2 days) after disclosure of financial results
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending December 31, 2021.	During Second/ Third week of January, 2022	From 31/12/2021 to 48 hours (2 days) after disclosure of financial results
Audit Committee/ Board Meeting	To review, approve and take on record the Audited financial results for the quarter and the financial year ending March 31, 2022.	During Second/ Third week of April, 2022	From 31/03/2022 to 48 hours (2 days) after disclosure of financial results

RECORD DATE:

Friday, August 20, 2021 is fixed as the 'Record Date' for determining entitlement of the members to Dividend for the financial year ended March 31, 2021.

DIVIDEND PAYMENT:

The Board of Directors of the Company have recommended a dividend of ₹ 2/- per equity share of face value of ₹ 2/- each (100%) for the financial year ended March 31, 2021, subject to approval of the shareholders at the ensuing annual general meeting and if declared, will be paid within 10 days to the shareholders who have furnished bank account details to the Company/ its Registrar. Physical warrants shall be dispatched to the shareholders, who have not registered their ECS mandates, upon normalisation of postal services. Dividend amount payable will be subject to deduction of tax at source (TDS) at applicable rates.

Entitlement for Dividend:

i. For the shares held in physical form: To the shareholders whose names appear on the register of members as at the close of business hours on Friday, August 20, 2021.

ii. For shares held in electronic form: To the Beneficial owners whose name appear in the statements of beneficial position furnished by the National Securities Depository Ltd.(NSDL) and Central Depository Services (India) Ltd. (CDSL) as at the close of business hours on Friday, August 20, 2021.

LISTING OF EQUITY SHARES

Sl. No	Name of the Stock Exchange	Address of the Stock Exchange	Stock Code	ISIN
1.	National Stock Exchange of India Ltd.	Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai 400 051 www.nseindia.com	CANFINHOME	INE477A01020
2.	BSE Limited	Floor 25, PJ Towers, Dalal Street, Mumbai – 400 001, www.bseindia.com	511196	

LISTING OF DEBT SECURITIES

The Non Convertible Debentures (NCDs) issued by the companies on private placement are listed on WDM segment of National Stock Exchange of India Limited.

Debenture Trustees	SBICAP Trustees Company Limited Mistry Bhavan, 4th Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020 Tel : 022-43025555, Fax : 022-43025500

LISTING OF COMMERCIAL PAPERS

As per SEBI Circular SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated October 22, 2019, captioned "Framework for listing of Commercial Paper", the Company has listed its Commercial Papers (CPs) on BSE Limited (BSE).

LISTING FEE

The listing fee as applicable for the year 2020-21 have been paid to the above Stock Exchanges where the securities of the Company are listed within the prescribed time.

The Annual Custodial Fee for 2020-21 has been paid within the due dates to CDSL and NSDL.

List of outstanding NCDs as on 31/03/2021:

SN	ISIN	Tenor	Coupon	Amount issued (₹ in Crore)	Allotment Date	Redemption Date	Secured/ Unsecured
1.	INE477A08025	10 Years	8.94%	100	03-12-2014	03-12-2024	Unsecured
2.	INE477A07217	60 months	7.77%	122	15-11-2016	15-11-2021	Secured
3.	INE477A07241	60 months	7.89%	600	18-05-2017	18-05-2022	Secured
4.	INE477A07282	39 months	7.85%	250	27-02-2020	27-05-2023	Secured
5.	INE477A07290	36 months	6.25%	275	24-12-2020	22-12-2023	Secured

P.S.: Debentures are secured against the floating charge on book debts of the Company.

List of outstanding CPs as on 31/03/2021:

SN	ISIN	Tenor	Coupon	Amount issued (₹ in Crore)	Allotment Date	Redemption Date	Secured/ Unsecured
1.	INE477A14AU3	364 days	6.50%	100	26-05-2020	25-05-2021	Unsecured
2.	INE477A14AV1	365 days	5.40%	400	23-06-2020	23-06-2021	Unsecured
3.	INE477A14AZ2	346 days	4.30%	400	16-10-2020	27-09-2021	Unsecured
4.	INE477A14BA3	364 days	4.07%	150	19-11-2020	18-11-2021	Unsecured
5.	INE 477A14BC9	364 days & 315 days	4.07% & 4.18%	600	24-11-2020 & 12-01-2021	23-11-2021	Unsecured
6.	INE477A14BE5	365 days	4.99%	500	08-02-2021	08-02-2022	Unsecured
7.	INE477A14BF2	334 days	4.89%	500	18-02-2021	18-01-2022	Unsecured
8.	INE477A14BG0	153 days	4.23%	400	05-03-2021	05-08-2021	Unsecured
9.	INE477A14BH8	364 days	4.85%	400	12-03-2021	11-03-2022	Unsecured
10.	INE477A14BI6	365 days	4.85%	250	16-03-2021	16-03-2022	Unsecured

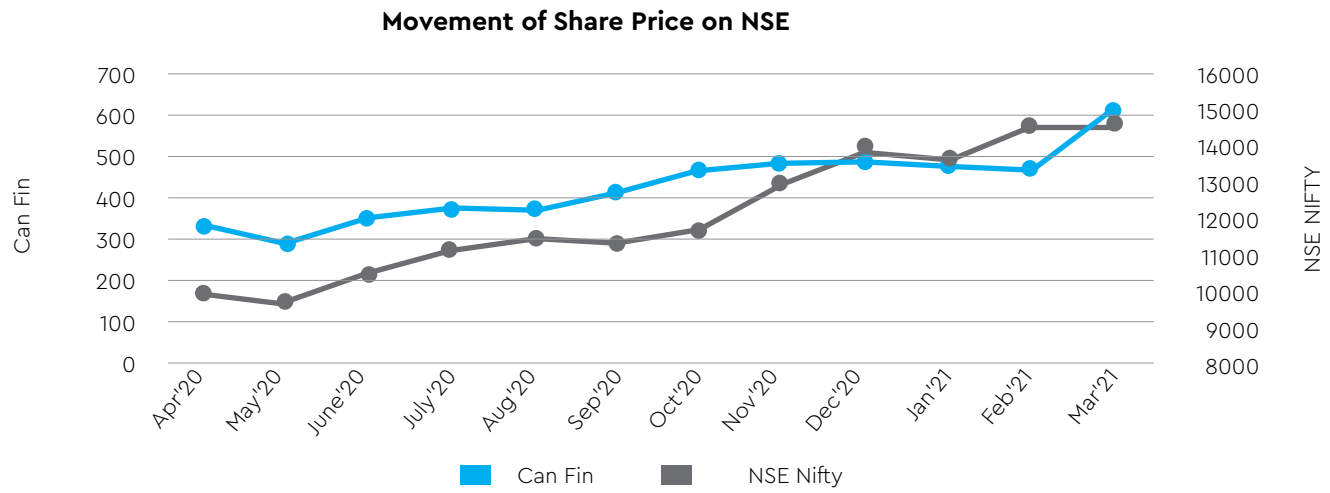
MARKET PRICE DATA – HIGH/LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR

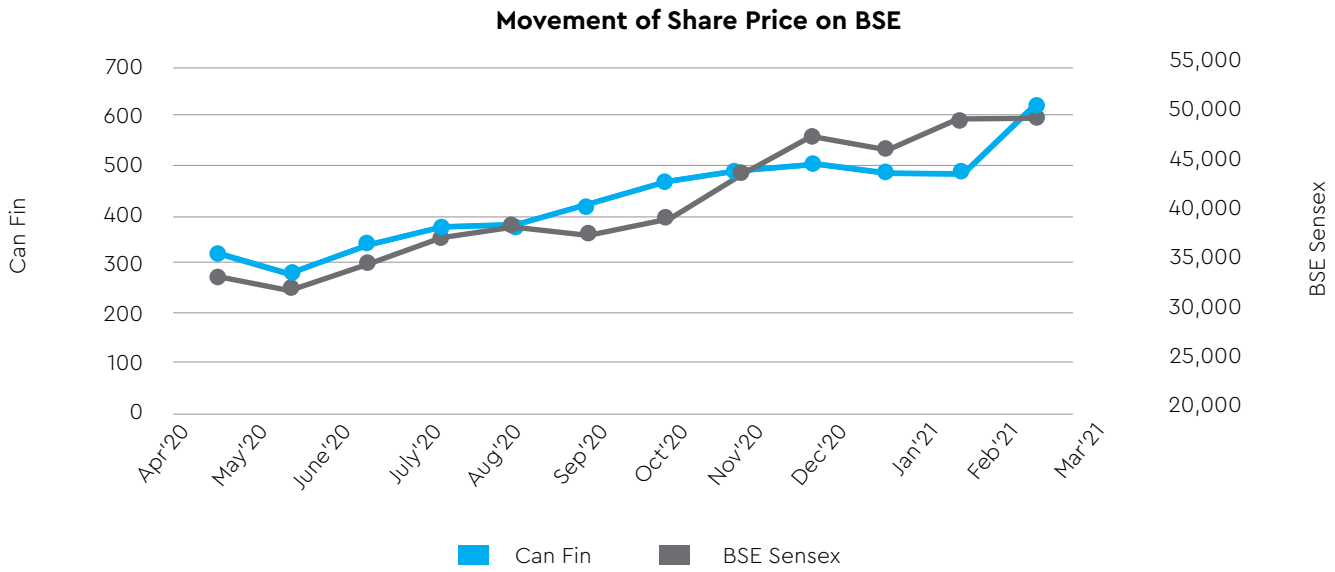
Month and Year	National Stock Exchange of India Ltd. (NSE)		Bombay Stock Exchange Ltd. (BSE)	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2020	325.80	253.30	325.25	253.55
May, 2020	321.70	267.35	321.50	267.60
June, 2020	375.00	279.95	374.85	280.50
July, 2020	407.45	331.15	407.35	331.25
August, 2020	419.90	361.35	419.50	361.20
September, 2020	459.50	364.10	458.95	365.60
October, 2020	484.35	411.90	484.35	412.35
November, 2020	488.20	448.50	487.75	448.90
December, 2020	513.95	430.00	513.00	432.00
January, 2021	529.90	455.25	529.20	455.30
February, 2021	534.40	474.75	533.85	475.00
March, 2021	619.80	467.95	619	468.10

* The securities were not suspended from trading, any time during FY21.

STOCK PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES

The chart below shows the comparison of the Company's monthly share price movements vis-à-vis the movement of the NSE Nifty and BSE Sensex for the financial year ended March 31st, 2021 (based on the month end closing):



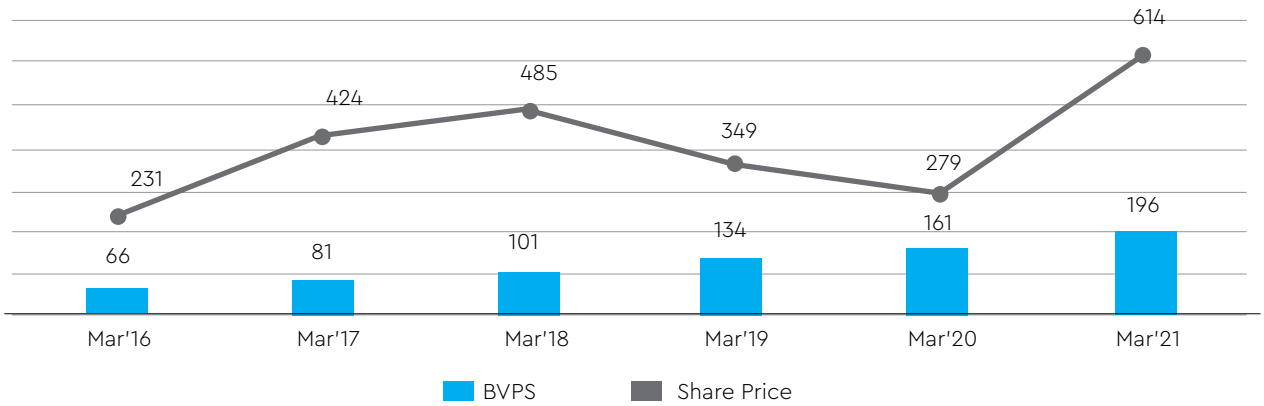


STOCK PRICE AND BOOK VALUE – YEAR TO YEAR – 2016 to 2021

Book Value per share as on March 31, 2021 = ₹ 195.99 per equity share of face value of ₹ 2/- per share.

Market Value per share as on March 31, 2021 (High) =₹ 619.40 (NSE), ₹ 619.00 (BSE).

Graphical representation



P.S.: Face value of share is ₹ 2/- per share, since Oct'17. Hence, for the sake of fair presentation, the face value of shares from Mar'16 and Mar'17 have been converted to ₹ 2/- per share.

REGISTRAR AND SHARE TRANSFER AGENTS (RTA)

Canbank Computer Services Ltd., Unit: Can Fin Homes Ltd.,
R&T Centre, No.218, J P Royale, I Floor,
2nd Main, Sampige Road (Near 14th Cross), Malleshwaram, Bengaluru 560003
Tel: 080-23469661/62, 23469664/65 Fax: 080-23469667;
e-mail: ravi@ccsl.co.in and naidu@ccsl.co.in

SHARE TRANSFER SYSTEM

The powers to consider and approve share transmissions / consolidation / sub-division, etc. have been delegated by the Board to the Company Secretary and one of the Asst. General Managers at the Registered Office of the Company and such requests are processed once in ten days. However, in cases of disputes over title to shares pending before Courts or otherwise stop transfer instructions are registered by owners, the transfers take place on resolution of disputes between the parties and/or in terms of the applicable provisions of law.

The matter connected with the share transfer/transmission and other related matters are being handled by Registrars and Transfer Agents located in the address mentioned above. Share lodged for transfer are normally processed within 15 days from the date of lodgement, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days.

Grievances received from the investors and other miscellaneous correspondences relating to change of address, mandates, etc., are processed by our RTA within 7 days. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Regulations, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

However, as per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 08, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from April 01, 2019 unless the securities are held in the dematerialised form with the depositories. Therefore, shareholders are requested to take action to dematerialize the Equity Shares of the Company promptly. SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form.

Certificates are being obtained and submitted to Stock Exchanges on half yearly basis from a Company Secretary in practice towards due compliance of share transfer formalities by the company within the due dates, in terms of Regulation 40 (9) of SEBI LODR Regulations, 2015.

The Company as required under Clause 46 of the SEBI LODR Regulations, 2015, has designated the following email ID namely investor.relationship@canfinhomes.com for the purpose of registering complaints if any by the investors and expeditious redressal of their grievances.

The Shareholders are therefore, requested to correspond with RTA for transfer/transmission of shares, change of address and queries pertaining to their shareholdings at the address given in this report.

PROCEEDS FROM PUBLIC ISSUES, RIGHT ISSUES AND PREFERENTIAL ISSUE, AMONG OTHERS

The Company did not raise money through any public issue, right issue or preferential issue during FY2020-21.

DEMATERIALISATION OF SHARES AND LIQUIDITY

The equity share of the Company are in the list of scripts specified by SEBI to the compulsorily traded in the electronic form. About 98.60% of paid up capital is held in dematerialised form and the remaining 1.40% are held in physical form. The securities of the Company are admitted as the 'Eligible Securities' into the Depository system by NSDL and CDSL. The shares of the Company are listed and traded actively on the stock exchanges and hence the liquidity for the shares of the Company is high.

RECONCILIATION OF SHARE CAPITAL AUDIT

As required by the Listing Regulations, quarterly audit of the Company's share capital is being carried out by an independent external auditor with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the issued and listed capital. The Secretarial Auditor's Certificate in regard to the same is submitted to BSE Limited and National Stock Exchange of India Limited and is also placed before the Board of Directors.

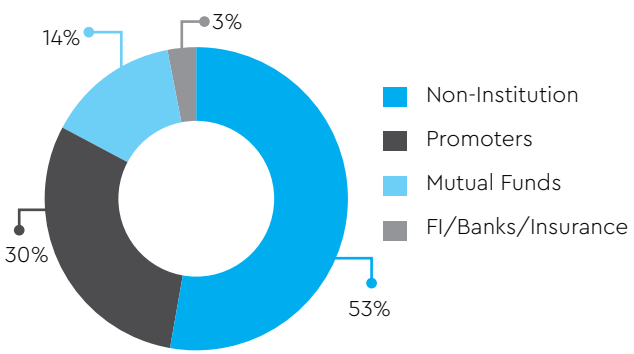
ADDRESS FOR CORRESPONDENCE

Shareholder's correspondence may please be addressed to the Registrar & Share Transfer Agents at the above mentioned address. They may also contact Investor Relationship Dept., Can Fin Homes Ltd., Registered Office, 29/1, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru-560004. (Tel: 080 48536192; Fax: 080 26565746); E-mail: investor.relationship@canfinhomes.com

DISTRIBUTION OF SHAREHOLDING AS ON MARCH 31, 2021

Amount (₹)	Members		Shares	
	Number	%	Amount (₹)	%
Upto - 5000	59,536	86.80	1,33,84,150	5.03
5001 - 10000	4345	6.34	67,48,578	2.53
10001 - 20000	2,576	3.76	75,25,838	2.83
20001 - 30000	756	1.10	38,38,544	1.44
30001 - 40000	361	0.53	25,55,204	0.96
40001 - 50000	226	0.33	20,98,548	0.79
50001 - 100000	385	0.56	53,83,062	2.02
100001 and above	405	0.59	22,47,74,326	84.40
Total	**68,590**	**100.00**	**26,63,08,250**	**100.00**

Shareholdings as on March 31, 2021



SHAREHOLDING PATTERN OF THE COMPANY AS ON MARCH 31, 2021

Sl. No	Particulars/ Category of Shareholder	No. of Shareholders	Total number of shares	Total shareholding as % of total No. of equity share holdings (%)	No. of equity shares in de-mat form	Total demat shareholding as % of total No. of equity share holdings (%)
1	Promoter and Promoter Group	1	39930365	29.99	39930365	29.99
2	Mutual Funds	73	18467775	13.87	18466775	13.87
3	Financial Institutions/ Banks	5	1878	-	628	-
4	Insurance companies	27	4669796	3.51	4669796	3.51
5	Foreign Institutional Investors	-	-	-	-	-
6	Bodies Corporate	659	14731582	11.06	14689332	11.03
7	Individuals	64334	27794718	20.88	25973733	19.51
8	Trust	7	24782	0.02	24782	0.02
9	Director & their relatives	-	-	-	-	-
10	Non Resident Indians	2144	1042791	0.78	1042791	0.78
11	Clearing members	229	404148	0.30	404148	0.30
12	Hindu Undivided Families	979	1641016	1.23	1641016	1.23
13	Employee shareholders	14	21294	0.02	16294	0.02
14	Limited Liability Partnership/ Qualified Foreign Investor	-	-	-	-	-
15	Foreign Financial Institution	1	2000	-	-	-
16	Foreign Corporate Bodies	116	24006430	18.03	24006430	18.03
17	Foreign Nationals	-	-	-	-	-
18	IEPF Authority	1	415550	0.31	415550	0.31
	GRAND TOTAL	**68590**	**133154125**	**100.00**	**131281640**	**98.60**

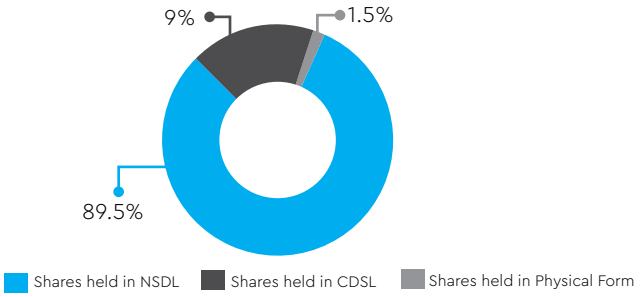
SHAREHOLDERS HOLDING MORE THAN 1% OF THE SHARES

Sl. No	Name of the Shareholder	No. of shares	%
1	Canara Bank-Mumbai	39930365	29.99
2	Chhattisgarh Investments Limited	9564655	7.18
3	Caladium Investment PTE Ltd	5740001	4.31
4	Axis Mutual Fund Trustee Limited A/C Axis Mutual Fund A/C Axis Small Cap Fund	2592513	1.95
5	Nippon Life India Trustee Ltd-A/C Nippon India Small Cap Fund	1806809	1.36
6	Max Life Insurance Company Limited A/c – ULIF01108/02/07LIFEGRWSUP104 – Growth Super Fund	1696271	1.27
7	Vanguard Emerging Markets Stock Index Fund, A Series of Vanguard International Equity Index Funds	1593847	1.20
8	Vanguard Total International Stock Index Fund	1502584	1.13
9	Sarda Energy And Minerals Limited	1500000	1.13

Shares held in dematerialized status as on March 31, 2021

Status of Dematerialisation	No. of Shares	% of Total Shares
Shares held in NSDL	119137333	89.48
Shares held in CDSL	12144307	9.12
Shares held in Physical Form	1872485	1.40

Shares Dematerialization Status



CREDIT RATINGS

Credit Rating Agency	Instrument	Ratings	Revisions, if any	Revision Rational
India Ratings and Research Pvt. Ltd. (FITCH)	Debentures	IND AA (Stable)	None	NA
	Tier II Bonds	IND AA (Stable)	None	NA
CARE Limited	Debentures	CARE AAA (Stable)	CARE AAA (Negative)	NA
	Tier II Bonds	CARE AAA (Stable)	CARE AAA (Negative)	NA
	Commercial Papers	CARE A1+	None	NA
ICRA Limited	Debentures	[ICRA]AA+ (Stable)	None	NA
	Tier II Bonds	[ICRA]AA+ (Stable)	None	NA
	Commercial Papers	[ICRA]A1+	None	NA
	Deposits	MAAA(Stable)	None	NA

OTHER INFORMATION

Outstanding GDRs / ADRs / Warrants or any convertible instruments, conversion date and likely impact on equity: The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence, as on March 31, 2021, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

Commodity price risk or foreign exchange risk and hedging activities: Nil

Plant Location:

In view of the nature of the Company's business viz., housing finance & service industry, the Company operates from various offices in India. Registered office of the Company is situated in Bengaluru and the details of all the branches of the Company are provided at the end of the report.

UNCLAIMED DIVIDEND

Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, any money transferred to the unpaid Dividend Account of the Company, which remains unclaimed for a period of 7 years, shall be transferred to IEPF.

The following table provides details of unclaimed dividends and due dates for transfer to Investor Education & Protection Fund (IEPF):

Dividend relevant years	Dividend Per Share (Face value of ₹ 10 upto FY16–17 & ₹ 2/- from FY17–18)	Balance in unpaid dividend account as on March 31, 2021 (₹)	Unclaimed dividend as a % of total amount of dividend declared	Declared at the AGM held on	Due date for transfer to Protection Fund (IEPF)*
2013–14	6.50	20,22,553.00	1.17	31/07/2014	31/07/2021
2014–15	7.00	21,25,053.00	1.14	08/07/2015	08/07/2022
2015–16	10.00	28,29,780.00	1.06	20/07/2016	20/07/2023
2016–17	10.00	30,12,730.00	1.13	28/06/2017	28/06/2024
2017–18	2.00	27,54,770.00	1.03	18/07/2018	18/07/2025
2018–19	2.00	25,61,328.00	0.96	17/07/2019	17/07/2026
2019–20	2.00	32,43,355.58	1.22	26/08/2020	26/08/2027

P.S.: Members of the Company can claim the unclaimed dividend, if any, from the Company before the respective due dates of transfer to IEPF as mentioned above. As per Section 124(4) of the Companies Act, 2013 any person claiming to be entitled to any money transferred to IEPF may apply to the IEPF Authority for refund of the dividend amount and/or shares.

TRANSFER OF SHARES TO IEPF DEMAT ACCOUNT

In terms of Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016, as amended from time to time, our Company is required to transfer all the shares, in respect of which dividend amounts have not been paid or claimed for 7 consecutive years, to 'IEPF Demat Account' opened with the Depository for the purpose by the Company.

In terms of the above Rules, reminder letters were sent to shareholders who have not claimed their dividends for a consecutive period of 7 years, informing that their shares will be transferred to IEPF suspense account on the prescribed due dates, if they do not place their claim for unclaimed dividend amounts before the Company. During FY 2020-21 your Company has transferred 1,64,500 Nos. of equity shares pertaining to 226 shareholders to IEPF. Your Company has provided the IEPF Rules, the paper notifications issued and lists of shareholders, whose shares have been transferred to IEPF in the Investor Page of the website of the Company. Any shareholder can claim back his shares by filing the claim in the prescribed form (E-form IEPF-5).

During the year, the Company received two applications from shareholders for claiming shares from IEPF. Nodal Officer has provided the verification report to IEPF Authority for processing of claim refunds. As on March 31, 2021, IEPF holds 4,15,550 shares on account of transfer of shares under IEPF Rules.

ISSUE OF DUPLICATE DIVIDEND WARRANTS

A duplicate dividend warrant can be issued after the expiry of the validity period of the original warrant after complying with the simple prescribed procedural formalities. Shareholders who have lost their warrants/where the warrants are stale (older than 3 months) may write to RTA for payment of dividend amount directly into their Bank accounts by way of NEFT, RTGS, etc.

Updation of shareholders details:

i. Shareholders holding shares in physical form are requested to notify the changes to the Company/RTA, promptly by a written request under the signatures of sole/first/joint holder and

ii. Shareholders holding shares in electronic/DEMAT form are requested to send their instructions directly to their DPs.

BANK ACCOUNT PARTICULARS

SEBI has issued a Circular CIR/MRD/ DP/10/2013 dated March 21, 2013 [in the light of developments in the field of electronic payment system by various modes viz., National Electronic Fund Transfer (NEFT), Real Time Gross Settlement (RTGS) etc.,] whereby it has been made mandatory for the Companies to maintain requisite bank details of their investors. And also as per MCA General Circular No.20/2020 dated 05/05/2020, dividend amount will be credited directly into the Bank accounts by way of NEFT, RTGS, etc. of the shareholders who have furnished bank account details to the Company / Registrar. Physical warrants shall be dispatched to the shareholders, who have not registered their ECS mandates/ bank particulars, upon normalisation of postal services.

In terms of the said circular, the Company has been making remittances, if any, to members through electronic mode into

the bank account as per details sought from NSDL/ CDSL (demat accounts) and to the account particulars furnished to the Company/RTA by the physical holders.

NOMINATION

Pursuant to Section 72 of the Companies Act, 2013 and Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, individual/joint members of the Company may at any time, nominate in Form No.SH-13, any person as his/ her nominee in whom the security shall vest in the event of his/her death. Only individual shareholder(s) applying for/holding shares on his/ her behalf can make a nomination. If the shares are held jointly, all the holders shall together nominate an individual person as their nominee. Nomination stands automatically rescinded on transfer/ dematerialisation of shares.

The said form is made available on the website of the Company in 'Investor page'. Shareholders holding shares in dematerialised form are requested to contact their respective depository participants. Shareholders holding shares in physical form are requested to submit the Form to the RTA.

Permanent Account Number

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN Card of the transferor(s), transferee(s), surviving joint holders/legal heirs be submitted to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

FOLIO CONSOLIDATION

Shareholders holding shares under more than one folio may write to the Company or its RTA to consolidate their folios. In case of joint holdings, even if the order of names is different, shareholders can have them transposed without payment of stamp duty by sending a letter duly signed by all the shareholders. This will facilitate safe keeping and save cost at the time of dematerialisation. The above would be subject to verification of the signature(s) of the concerned shareholders.

Email ID Registration: To support the green initiative, shareholders are requested to register their email address with their DPs or with the Company's RTA, as the case may be. Communications in relation to Company like Notice and outcome of Board Meetings, Dividend Credit Intimations, Notice of AGM and Annual Report are regularly sent electronically to such shareholders who have registered their email addresses. The Company periodically sends reminder to all those shareholders who haven't registered their email address.

Legal Proceedings

There are certain pending cases related to disputes over title to company shares (family disputes), in which Company has been made party only as a proforma defendant / respondent. However, these cases are not material in nature.

SEBI Complaints Redressal System (SCORES)

SEBI vide its Circular dated 26th March, 2018 issued new policy measures w.r.t. SEBI Complaints Redress System (SCORES). Under this system, SEBI has requested the Members to approach the Company directly at the first instance for their grievance. If the Company doesn't resolve the complaint of the shareholders within stipulated time, then they may lodge the complaint with SEBI/Stock Exchanges for further action. Further SEBI vide Circular dated 13th August, 2020, has specified standard operating procedure for handling complaints by stock exchanges, accordingly the Company is now required to resolve the Complaint within a period of 30 days of receipt of the same.

COMPLIANCE OFFICER

Smt. Veena G Kamath
AGM & Company Secretary
Can Fin Homes Ltd.,
Sir M N Krishna Rao Road, Basavanagudi,
Bengaluru 560004.
Phone:080-48536192, Fax:080-26565746
Email:investor.relationship@canfinhomes.com
compsec@canfinhomes.com

Independent Auditors' Report

To,
The Members,
Can Fin Homes Limited

Report on the Audit of Ind AS Financial Statements

Opinion

We have audited the accompanying Ind AS financial statements of Can Fin Homes Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date including summary of the significant accounting policies and other explanatory information in which are included the Returns for the year ended on that date audited by the branch statutory auditors of the Company's 168 branches located at various locations across India (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion:

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Emphasis of Matter

We draw your attention to Note 46 to the financial statements which describes the probable impact of the COVID-19 pandemic on the Company's operations and financial position, including the credit quality and requirement for provisioning, is uncertain and will depend on future steps as they evolve and is highly unpredictable at this stage.

Our opinion is not modified in respect of this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's response
1.	**Expected credit loss allowances:** Expected credit loss allowances relating to loans and advances are determined on a portfolio basis, with the use of impairment models. These models are based on historical loss experience and use a number of key assumptions including probability of default, loss given default (including propensity for possession and forced sale discounts for mortgages) and valuation of recoveries. Our work therefore focused on the appropriateness of modelling methodologies adopted and the significant judgements required.	We evaluated management's process and tested key controls around the determination of expected credit loss allowances, including controls relating to: • The identification of events leading to a significant increase in risk and credit impairment events; and • The review, challenge and approval of the expected credit loss allowances, including the impairment model outputs and key management judgements applied.

Sr. No.	Key Audit Matter	Auditor's response
	Refer to Note 2(i) to the financial statements accounting policy on accounting for the impairment of financial assets and Note 40(i) to the financial statements for credit risk disclosures and for Credit impairment charges and other provisions.	We found that these key controls were designed, implemented and operated effectively, and therefore determined that we could place reliance on these key controls for the purposes of our audit. We understood and assessed the appropriateness of the impairment models developed and used by the management at the entity level. This included assessing and challenging the appropriateness of key modelling judgements (e.g. the transfer criteria used to determine significant increase in credit risk). We tested the formulae applied within the calculation files, the completeness and accuracy of key data inputs, sourced from underlying systems that are applied in the calculation. We also tested the reconciliation of loans and advances between underlying source systems and the expected credit loss models.
2	**Information Technology ('IT') systems and controls:** The Company's key financial accounting and reporting processes are highly dependent on information systems including automated controls in information systems, such that there exists a risk that, gaps in the IT control environment could result in the financial accounting and reporting records being misstated. We have identified 'IT systems and controls' as key audit matter because of significant use of IT system and the scale and complexity of the IT architecture.	Our audit procedures included verifying, testing and reviewing the design and operating effectiveness of the IT system by verifying the reports and other financial and non-financial information generated from the system on a test check basis. Our audit procedures included: • Evaluation of the design and testing the operating effectiveness of certain automated controls that were considered as key internal controls over financial reporting including the completeness and accuracy of data feeds, and automated calculations. • Ensuring that deficiencies noticed in our verification were informed to the management for corrective action, which is already been done; • Carrying out independent alternative audit procedures like substantive testing in areas where deficiencies were noticed; • We have considered the report given by IT audit specialists appointed by the management on design and operating effectiveness of the General IT Controls and assessed its impact on the key financial accounting and reporting systems; Our audit procedures also included the consideration of the observations noted by the statutory branch auditors on the assessment of IT controls over the monitoring of loans, and reviewing the logic and assumptions used in the operating systems and other related IT system controls.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Report of Directors including Annexures to Directors Report, Corporate Governance, Information to Shareholders and Management Discussion and Analysis but does not include the financial statements and our auditor's report thereon, which are expected to be made available to us after the date of this report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information

is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the reports which we are expected to be made available to us after the date of this auditor's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance. In case of uncorrected material misstatements, we are required to communicate to other stakeholders as appropriate as well as to take action under the applicable laws and regulations, if any.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, 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.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements 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 financial statements.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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 financial statements, 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 controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 financial statements 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.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

We did not audit the financial statements of 168 branches included in the financial statements of the Company whose financial statements reflect total assets of ₹ 15,87,295.33 lacs as at 31st March 2021 and total revenues of ₹ 1,44,453.28 lacs for the year ended on that date, as considered in the financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure (Annexure A) a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by section 143(3) of the Act, we report that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

   b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.

   c) The report on the accounts of 168 branch offices audited under section 143 by a person other than the Company's principal auditor have been forwarded to us as required by sub-section (8) of section 143 and have been properly dealt with in preparing our report in the manner considered necessary by us;

   d) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account;

   e) In our opinion, the aforesaid financial statements comply with the Ind AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

   f) On the basis of written representations received from the directors as on 31st March 2021, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2021, from being appointed as a director in terms of Section 164(2) of the Act;

   g) With respect to the adequacy of the internal financial control over financial reporting of the Company and the operating effectiveness of such control, refer to our separate report in "Annexure B";

   h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is within the limit laid down under the provisions of section 197 of the Act.

i) With respect to the other matters to be included in the Auditor's report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

a. The Company has disclosed pending litigations as contingent liabilities in Note 36 to the financial statements, the impact if any on the final settlement of the litigations is not ascertainable at this stage.

b. The Company has not entered into any long-term contracts including derivative contracts which require provision for foreseeable losses as per law or applicable accounting standards and

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company. Refer Note 16.1 to the Financial Statements.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Georgy Mathew
Partner
M.No.209645
ICAI UDIN: 21209645AAAAEO5031

Place: Bangalore
Date:April 30, 2021

"Annexure A" to the Independent Auditors' Report

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the Financial Statement of M/s Can Fin Homes Limited for the year ended 31st March 2021.

i. In respect of Fixed Assets:

a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. In our opinion, the records require further improvement with respect to situation of fixed assets.

b. We are informed that the fixed assets of the Company located at the 186 branches, Centralised Processing Centres and the Head Office have been physically verified and no major discrepancies were noticed on such verifications. In our opinion the frequency of verification of fixed assets of the company is adequate.

c. The title deeds of the immovable property of the Company are held in its name.

ii. The nature of the Company's business is such that it is not required to hold any inventories and, hence, reporting under paragraph 3 (ii) of the order is not applicable to the Company.

iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Hence, reporting under paragraph 3 (iii) (a), (b) and (c) of the Order is not applicable to the Company.

iv. According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not given Loans, guarantees, investments or securities which fall under the purview of Sections 185 & 186 of the Companies Act, 2013.

v. As per the Ministry of Corporate Affairs notification dated 31st March 2014, the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, as amended, with regard to the deposits accepted are not applicable to the Company and, hence, reporting under Clause 3(v) of the Order is not applicable.

vi. As per the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 for any of the services rendered by the Company.

vii. In respect of statutory dues:

a. According to the information and explanation given to us and as per our verification of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, cess and any other statutory dues with the appropriate authorities and no material statutory dues have been outstanding for more than six months from the due date as at the year end.

b. According to the information and explanation given to us and as per our verification of the records of the Company, the following are the disputed amounts of tax / duty along with the details of amounts that have been deposited with appropriate authorities as at 31st March 2021:

Statute	Nature of dues	Amount (In ₹ Lakh)	Amount paid (in ₹ Lakh)	Period to which the amount relates	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	491.64	491.64*	AY 2003–2004	Commissioner of Income Tax
Income Tax Act, 1961	Income Tax	15.61	Nil	AY 2004–2005	Deputy Commissioner Income Tax
Income Tax Act, 1961	Dividend Distribution Tax-u/s 115-O	16.44	Nil	AY 2011–2012	Commissioner of Income Tax –Appeals
Income Tax Act, 1961	Income Tax	36.94	7.39*	AY 2017–2018	Commissioner of Income Tax –Appeals

* Includes amount paid under protest and amounts adjusted against refunds due to the Company.

viii. According to information and explanation given to us and as per our verification of the records of the Company, the Company has not defaulted in repayment of its dues to bank/financial institution/government/debenture holders during the year.

ix. The Company has not raised moneys by way of Initial Public offer or further public offer. The term loans raised have been applied for the purposes for which they were raised. The Company has also raised working capital loans with no repayment schedule and being working capital loans the reporting requirements of utilization is not commented upon.

x. According to the information and explanations given to us and as per our verification of the records of the Company, no fraud either on or by the Company has been noticed or reported by its officers or employees during the year.

xi. According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.

xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Georgy Mathew
Partner
M.No.209645
ICAI UDIN: 21209645AAAAEO5031

Place: Bangalore
Date: April 30, 2021

"Annexure B" to the Independent Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of M/s Can Fin Homes Limited ("the Company") as of 31st March 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods

are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 168 branches is based on the corresponding audit reports of the statutory branch auditors of such branches.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

Georgy Mathew
Partner
M.No.209645
ICAI UDIN: 21209645AAAAEO5031

Place: Bangalore
Date: April 30, 2021

Balance Sheet As at March 31, 2021

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
	ASSETS			
I	**Financial Assets**			
	a) Cash and Cash equivalents	3(a)	79.25	37,231.93
	b) Bank Balances other than (a) above	3(b)	2,075.30	2,012.06
	c) Derivative Financial Instruments		–	–
	d) Receivables	4		
	(i) Trade Receivables		70.80	25.55
	(ii) Other Receivables		–	–
	e) Loans	5	21,89,148.23	20,52,569.25
	f) Investments	6	4,960.39	2,430.50
	g) Other Financial Assets	7	369.66	302.63
II	**Non-Financial Assets**			
	a) Current Tax Assets (Net)	8.1	1,830.19	2,403.93
	b) Deferred Tax Assets (Net)	8.2	4,545.46	3,389.25
	c) Property, Plant and Equipment	9	3,782.44	3,789.74
	d) Other non-financial assets	10	512.75	203.76
	TOTAL		**22,07,374.47**	**21,04,358.61**
	LIABILITIES AND EQUITY			
	LIABILITIES			
I	**Financial Liabilities**			
	a) Derivative Financial Instruments		–	–
	b) Payables	11		
	(A) Trade Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		–	–
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		432.58	400.35
	(B) Other Payables			
	(i) total outstanding dues of micro enterprises and small enterprises		–	–
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		–	23.60
	c) Debt Securities	12	4,89,130.24	3,80,955.13
	d) Borrowings (Other than debt securities)	13	13,85,621.47	14,53,089.75
	e) Deposits	14	44,247.15	30,508.05
	f) Subordinated Liabilities	15	10,291.47	10,291.47
	g) Other Financial Liabilities	16	5,078.10	5,871.82
II	**Non-Financial Liabilities**			
	a) Current tax liabilities (Net)		–	–
	b) Provisions	17	10,225.35	6,623.03
	c) Deferred tax liabilities (Net)		–	–
	d) Other non-financial liabilities	18	1,367.34	1,588.57
III	**EQUITY**			
	a) Equity Share capital	19	2,663.31	2,663.31
	b) Other Equity	20	2,58,317.46	2,12,343.54
	TOTAL		**22,07,374.47**	**21,04,358.61**

Significant Accounting Policies 1 & 2

See accompanying notes forming part of the financial statements 3 – 49

As per our report of even date attached

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

Venkata Prabhakar
Chairman
DIN: 08110715

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Georgy Mathew
Partner
Membership No: 209645

G Naganathan
Director
DIN: 00423686

Place: Bangalore
Date: 30.04.2021

Prashanth Joishy
Chief Financial Officer

Veena G Kamath
Company Secretary

Statement of Profit and Loss for the year ended March 31, 2021

(₹ in Lakhs)

Sl. No.	Particulars	Note No.	Year ending March 31, 2021	Year ending March 31, 2020
	Revenue from Operations			
	i) Interest Income	21	2,00,636.71	2,01,890.59
	ii) Fees and Commission Income	22	1,177.27	1,150.72
I	**Total Revenue from Operations**		**2,01,813.99**	**2,03,041.31**
II	Other Income	23	29.13	3.77
III	**Total Income (I+II)**		**2,01,843.12**	**2,03,045.08**
	Expenses			
	i) Finance Costs	24	1,20,832.66	1,34,420.98
	ii) Fees and Commission Expense	25	1,199.05	1,231.46
	iii) Impairment on financial instruments	26	6,853.17	6,031.57
	iv) Employee Benefit Expenses	27	6,998.42	5,656.50
	v) Depreciation, Amortisation and Impairment	28	957.27	947.13
	vi) Other expenses	29	3,244.52	2,928.79
IV	**Total Expenses**		**1,40,085.10**	**1,51,216.43**
V	**Profit before exceptional items and tax**		61,758.02	51,828.65
VI	Exceptional items		–	–
VII	**Profit before tax**		**61,758.02**	**51,828.65**
VIII	Tax Expense			
	a Current Tax		17,163.72	14,556.71
	b Tax expense of earlier years		143.50	461.81
	c Deferred Tax		(1,155.23)	(802.22)
IX	**Profit for the period from continuing operations**		**45,606.03**	**37,612.35**
X	Profit from discontinued operations		–	–
XI	Tax expense of discontinued operations		–	–
XII	Profit from discontinued operations (after tax)		–	
XIII	**Profit for the period**		45,606.03	37,612.35
XIV	**Other Comprehensive income**	39		
	A. Items that will not be reclassified to profit or loss			
	(i) Actuarial Gain/(loss)		(3.92)	(228.55)
	(ii) Income tax relating to items that will not be reclassified to profit or loss		0.99	57.52
	B. Items that will be reclassified to profit or loss			
	(i) Items that will be reclassified to profit or loss		–	–
	(ii) Income tax relating to items that will be reclassified to profit or loss		–	–
	Other Comprehensive income		**(2.94)**	**(171.03)**
XV	**Total Comprehensive Income for the year**		**45,603.10**	**37,441.32**
XVI	**Earnings per equity share (for continuing and discontinued operations)**	38		
	Basic (₹)		34.25	28.25
	Diluted (₹)		34.25	28.25

Significant Accounting Policies 1 & 2

See accompanying notes forming part of the financial statements 3 – 49

As per our report of even date attached

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

Venkata Prabhakar
Chairman
DIN: 08110715

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Georgy Mathew
Partner
Membership No: 209645

G Naganathan
Director
DIN: 00423686

Place: Bangalore
Date: 30.04.2021

Prashanth joishy
Chief Financial Officer

Veena G Kamath
Company Secretary

Cash Flow Statement for the year ended March 31, 2021

(₹ in Lakhs)

Sl. No.	Particulars	Year ending March 31, 2021	Year ending March 31, 2020
A)	**Cash Flow from Operating Activities**		
	Net Profit Before Tax and Exceptional Items	61,758.02	51,828.65
	Add:		
	i) Adjustment For:		
	Depreciation and Amortization	957.27	947.13
	Loss/(profit) on Sale of Assets [net]	70.15	1.85
	Interest on lease liability	296.48	314.40
	Loss/(gain) on leases liability	(113.40)	–
	Interest expense accrued but not paid	8,419.34	11,451.48
	Interest income accrued but not received	(42.20)	(7.14)
	Impairment of financial instruments	6,853.17	6,031.57
	Fair Value adjustments on Debentures	63.39	107.62
	Fair Value adjustments on Investments	3.32	2.57
	Operating Profit before Working Capital Changes	**78,265.53**	**70,678.13**
	ii) Adjustment For Working Capital:		
	(Increase)/Decrease) in Trade Receivables	(45.25)	(11.64)
	(Increase/(Decrease) in Trade Payables	8.63	77.38
	(Increase)/Decrease) in Other Financial Assets	(24.83)	(28.85)
	(Increase)/Decrease) in Loans	(1,43,432.15)	(2,35,183.25)
	(Increase/(Decrease) in Provisions	3,598.39	3,730.82
	(Increase)/Decrease) in Other non-financial assets	(308.98)	(55.93)
	(Increase/(Decrease) in Other financial liabilities	(9,264.48)	(11,388.57)
	(Increase/(Decrease) in Other non-financial liabilities	(221.23)	390.17
		(1,49,689.89)	**(2,42,469.86)**
	Cash Generated from Operations	**(71,424.35)**	**(1,71,791.73)**
	Less: Income Tax Paid	13,699.57	12,419.80
	Net Cash Flow from Operating Activities	**(85,123.92)**	**(1,84,211.54)**
B)	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment	(234.24)	(374.31)
	Sale of Property, Plant and Equipment	4.32	3.74
	Investment in Government Securities	(2,533.21)	(803.48)
	(Increase)/Decrease in Other Bank balances	(63.23)	(140.12)
	Net Cash Flow from Investing Activities	**(2,826.36)**	**(1,314.17)**
C)	**Cash Flow from Financing Activities**		
	Short term borrowings (net)	78,049.33	(19,610.19)
	Long Term Borrowings taken	3,87,000.00	5,03,000.00
	Long Term Borrowings repaid	(5,32,517.60)	(1,18,439.10)
	Proceeds from deposits accepted (net)	13,739.11	4,398.57
	Debt Securities (net)	1,08,111.72	(1,82,621.04)
	Payment of lease liability	(921.88)	(913.51)
	Dividend and dividend distribution tax paid	(2,663.08)	(3,210.53)
	Net Cash Flow from Financing Activities	**50,797.59**	**1,82,604.19**

Cash Flow Statement for the year ended March 31, 2021

(₹ in Lakhs)

Sl. No.	Particulars	Year ending March 31, 2021	Year ending March 31, 2020
	Increase/ (Decrease) in Cash & Cash Equivalents	(37,152.68)	(2,921.52)
	Cash & Cash Equivalents at the Beginning of the Year	37,231.93	40,153.45
	Cash & Cash Equivalents at the end of the Year [refer note 3(a)]	**79.25**	**37,231.93**
	Other Notes:		
	Cash and Cash equivalents include:		
	Cash on hand	72.75	41.32
	Cheques on hand	5.34	–
	Balance with Banks		
	– Current Accounts	1.16	190.61
	– Fixed Deposits	–	37,000.00
	Total	**79.25**	**37,231.93**

Note : During the year company has spent ₹1,107.58 (PY 1,004.02 lakhs) on eligible corporate social responsibility activities (refer Note 48).

Significant Accounting Policies 1 & 2

See accompanying notes forming part of the financial statements 3 – 49

For and on behalf of the Board

Venkata Prabhakar
Chairman
DIN: 08110715

Girish Kousgi
Managing Director & CEO
DIN: 08524205

G Naganathan
Director
DIN: 00423686

Prashanth joishy
Chief Financial Officer

Veena G Kamath
Company Secretary

We have examined the above Cash Flow Statement of Can Fin Homes Limited for the period ended March 31, 2021. The statement has been prepared by the Company in accordance with the requirements of the listing agreements with the respective stock exchange and is based on and in agreement with the corresponding Profit and Loss account and Balance sheet of the Company.

As per our report of even date attached

For Varma & Varma
Chartered Accountants
FRN:- 004532S

Georgy Mathew
Partner
Membership No: 209645

Place: Bangalore
Date: 30.04.2021

Statement of Changes in Equity for the year ended March 31, 2021

A. Equity Share Capital

(₹ in Lakhs)

Particulars	31.3.2021	31.3.2020
Balance at the beginning of the year	2,663.31	2,663.31
Changes in Equity share capital during the current year	–	–
Balance at the end of the year	**2,663.31**	**2,663.31**

B. Other Equity

(₹ in Lakhs)

Particulars	Other Equity						Total
	Share application money pending allotment	Reserves and Surplus					
		Securities Premium	Statutory Reserves	General Reserve	Special Reserve (Including Tax Effect)	Retained Earnings (refer note below)	
Balance as at April 01, 2020	–	27,297.54	32,023.55	62,971.35	76,924.55	13,126.55	2,12,343.54
Profit for the year	–	–	–	–	–	45,606.03	45,606.03
Changes in accounting policy	–	–	–	–	–	–	–
Remeasurement of defined benefit plans	–	–	–	–	–	(2.94)	(2.94)
Dividends (including tax thereon)	–	–	–	–	–	(2,663.08)	(2,663.08)
Transfer to / from retained earnings	–	–	9,120.62	9,120.62	15,088.53	(30,295.86)	3,033.91
Any other change	–	–	–	–	–	–	–
Balance as at March 31, 2021	–	27,297.54	41,144.17	72,091.97	92,013.09	25,770.70	2,58,317.46

(₹ in Lakhs)

Particulars	Other Equity						Total
	Share application money pending allotment	Reserves and Surplus					
		Securities Premium	Statutory Reserves	General Reserve	Special Reserve (Including Tax Effect)	Retained Earnings (refer note below)	
Balance as at April 01, 2019	–	27,297.54	24,535.29	55,483.09	62,301.74	5,937.64	1,75,555.29
Profit for the year						37,612.35	37,612.35
Changes in accounting policy (Refer note 44)	–	–	–	–	–	(382.80)	(382.80)
Remeasurement of defined benefit plans						(171.03)	(171.03)
Dividends (including tax thereon)	–	–	–	–	–	(3,210.53)	(3,210.53)
Transfer to / from retained earnings	–	–	7,488.26	7,488.26	14,622.81	(26,659.07)	2,940.26
Others	–	–	–	–	–	–	–
Balance as at March 31, 2020	–	27,297.54	32,023.55	62,971.35	76,924.55	13,126.55	2,12,343.54

Note: Loss (net off tax) from remeasurement of defined benefit plan of ₹2.94 lakhs for the current year (Previous Year 2019-20 ₹ 171.03 lakhs) recognised as a part of retained earnings.

See accompanying notes forming part of the financial statements

As per our report of even date attached

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

Venkata Prabhakar
Chairman
DIN: 08110715

Girish Kousgi
Managing Director & CEO
DIN: 08524205

Georgy Mathew
Partner
Membership No: 209645

G Naganathan
Director
DIN: 00423686

Place: Bangalore
Date: 30.04.2021

Prashanth joishy
Chief Financial Officer

Veena G Kamath
Company Secretary

Notes forming part of Financial Statements

for the year ended March 31, 2021

1. Company Overview

Can Fin Homes Ltd (The Company)., set up under the sponsorship of Canara Bank, was incorporated in the year 1987, The Company is a housing finance institution approved by National Housing Bank (NHB), the apex authority of housing in the country. It is a listed company and its shares are traded in all the major stock exchanges in the country. The company has its head office in Bengaluru, Karnataka.

2. Summary of Significant Accounting Policies:

a) Statement of compliance:

These financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016 as applicable read with Section 133 of the Companies act, 2013 (the "Act") and guidelines issued by National Housing Bank.

Accounting policies have been consistently applied except where a newly-issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Basis of measurement

The financial statements have been prepared on a historical cost convention and on an accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:

i. Certain financial assets and liabilities measured at fair value (refer accounting policy on financial instruments);

ii. Defined benefit and other long-term employee benefits

c) Use of estimates and judgment

The preparation of financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions, that affect the application of accounting policies and the reported amounts of assets, liabilities, and disclosure of Contingent liabilities at the date of these financial statements and the reported amounts of revenues and expenses for the years presented. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each balance sheet date. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

The application of accounting policies that require critical accounting estimates involving complex and subjective judgments and the use of assumptions in these financial statements are as below:

1. Measurement of Expected Credit Loss
2. Measurement of useful life of Property, Plant & Equipment
3. Estimation of Taxes on Income
4. Estimation of Employee Benefit Expense

d) Financial instruments

Initial recognition and measurement:

All financial instruments are recognised initially at fair value. Transaction costs that are directly attributable to the acquisition of the financial asset are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. Loans, borrowings and payables are recognised net of directly attributable transaction costs. Subsequently, financial instruments are measured according to the category in which they are classified.

Subsequent measurement:

For the purpose of subsequent measurement, financial instruments of the Company are classified in the following categories: non- derivative financial assets comprising amortised cost, debt instruments at fair value through other comprehensive income (FVTOCI), equity instruments at FVTOCI or fair value through profit and loss account (FVTPL), non-derivative financial liabilities at amortised cost or FVTPL and derivative financial instruments (under the category of financial assets or financial liabilities) at FVTPL.

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Notes forming part of Financial Statements

for the year ended March 31, 2021

a) Non-derivative financial assets

(i) Financial assets at amortised cost

A financial asset shall be measured at amortised cost if both of the following conditions are met:

(a) the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and

(b) the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

They are presented as current assets, except for those maturing later than 12 months after the reporting date which are presented as non-current assets. Financial assets are measured initially at fair value plus transaction costs and subsequently carried at amortized cost using the effective interest rate method, less any impairment loss.

Financial assets at amortised cost are represented by trade receivables, security deposits, cash and cash equivalents, employee and other advances and eligible current and non-current assets. Cash and cash equivalents are highly liquid instruments that are readily convertible into cash and which are subject to an insignificant risk of changes in value and comprise cash on hand and in banks and demand deposits with banks which can be withdrawn at any time without prior notice or penalty on the principal.

(ii) Debt instruments at FVTOCI

A debt instrument shall be measured at fair value through other comprehensive income if both of the following conditions are met:

(a) the objective of the business model is achieved by both collecting contractual cash flows and selling financial assets and

(b) the asset's contractual cash flow represents SPPI

Debt instruments included within FVTOCI category are measured initially as well as at each reporting period at fair value plus transaction costs. Fair value movements are recognised in other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain/(loss) in statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to profit and loss. Interest earned is recognised under the effective interest rate (EIR) model.

(iii) Debt Instruments at FVTPL

A financial asset shall be measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income.

b) Non-derivative financial liabilities

(i) Financial liabilities at amortised cost

Financial liabilities at amortised cost represented by borrowings, trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest rate method.

e) Statement of Cash Flows:

For the purposes of the cash flow statement, cash and cash equivalents include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

Cash flows are reported using the indirect method whereby profit or loss is adjusted for the effects of the transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows.

f) Property, plant and equipment

i) Recognition and measurement:

Property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include directly attributable expenditure incurred up to the date the asset is ready for its intended use.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Amounts paid towards the acquisition of property, plant and equipment outstanding as of each reporting date and the cost of property, plant and equipment not ready for intended use before such date are disclosed under capital advances and capital work- in-progress respectively. Depreciation is not recorded on capital work-in-progress until installation is complete and the asset is ready for its intended use.

Subsequent expenditure relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or disposition of the asset and the resultant gains or losses are recognized in the statement of profit and loss.

ii) Depreciation:

Depreciation on tangible assets is provided on the Written Down Value method over the estimated useful life of the assets as prescribed in Schedule II of the Companies Act, 2013, except in case of servers, where the useful life is estimated to be 3 years considering its nature, estimated usage, operating conditions, anticipated technological changes, manufacturers warranties and maintenance support.

Depreciation methods, useful life and residual values are reviewed atleast at each year end. Changes in expected useful life are treated as change in accounting estimate.

When parts of an item of property, plant and equipment have different useful life, they are accounted for as separate items (major components) of property, plant and equipment.

g) Intangible Assets

Intangible assets are stated at cost less accumulated amortization and impairments. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the date that they are available for use. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors.

The estimated useful lives of intangible assets for the current and comparative period are as follows:

Asset	Estimated useful life
Software	5 Years

h) Lease

The Company recognises assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. The Company is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The Company measures right-of-use assets similarly to other non-financial assets (such as property, plant and equipment) and lease liabilities similarly to other financial liabilities. As a consequence, the Company recognises depreciation on the right-of-use asset and interest on the lease liability. The depreciation would usually be on a straight-line basis.

Assets and liabilities arising from a lease are initially measured on a present value basis. The measurement includes non-cancellable lease payments (including inflation-linked payments), and also includes payments to be made in optional periods if the Company is reasonably certain to exercise an option to extend the lease, or not to exercise an option to terminate the lease.

i) Impairment

i) Financial assets

Ind AS 109 establishes a credit risk impairment model based on expected losses. This model will apply to loans and debt instruments measured at amortised cost or at fair value through shareholders' equity (on a separate line), to loan commitments and financial guarantees not recognised at fair value, as well as to lease receivables. The impairment model under Ind AS 109 requires accounting for 12-month expected credit losses (that result from the risk of default in the next 12 months) on the financial instruments issued or acquired, as of the date of initial recognition on the balance sheet. Expected credit losses at maturity (that result from the risk of default over the life of the financial instrument) will be recognised if the credit risk has increased significantly since initial recognition (Stage 2) or have become credit impaired (Stage 3).

Notes forming part of Financial Statements

for the year ended March 31, 2021

Under the standard, there is also a rebuttable presumption that the credit risk on a financial asset has increased significantly since initial recognition when contractual payments are more than 30 days past due. Based on past experience, the company has developed the ECL model rebutting this presumption and uses 30 days past due as the trigger for confirming a significant increase in credit risk. The structure of the ECL model developed by the company is :

Stage	Assets
1	Standard Assets/SMA 0* assets : Over due for 30 days
2	SMA 1 and SMA 2 Assets : Over due morethan 30 days to 90 days
3	Sub-standard, Doubtful and Loss Assets (all NPAs) – Overdue for morethan 90 days

*SMA- Special Mention Accounts.

The Company assesses periodically and at each balance sheet date whether there is objective evidence that a financial asset or group of financial assets is impaired. Impairment allowances represent management's best estimate of the losses incurred within the loan portfolios at the balance sheet date. They are calculated on a collective basis for portfolios of loans of a similar nature and on an individual basis for significant loans. The calculation of both collective and specific impairment allowances is inherently judgmental. Collective impairment allowances are calculated using models which approximate the impact of current economic and credit conditions on large portfolios of loans. The inputs to these models are based on historical loss experience with judgement applied to determine the assumptions (for example the value of collateral) used to calculate impairment. The amount of provision for loan losses is calculated by multiplying the exposure at default (EAD), Probability of Default (PD) and Loss Given Default (LGD).

EAD is the amount of outstanding in the account and the interest accrued. PD has been arrived at on the basis of the average of defaults over the past four years in the category to which the asset belongs. LGD is the amount of default expected to occur after considering the value of the security offered as collateral.

Being a housing finance company, the company has to follow the guidelines given by the National Housing Bank (NHB) on Prudential Norms on Asset Classification and provisioning requirement. The Prudential norms prescribed by NHB do not consider the value of security for standard and sub-standard assets. The company provides for impairment of financial assets on the basis of the Expected Credit Loss Model or the Prudential norms of NHB whichever is higher.

ii) Non-financial assets

The Company assesses at each Balance sheet date whether there is any objective evidence that a non-financial asset or a group of non-financial assets maybe impaired. If any such indication exists, the Company estimates the amount of impairment loss.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in the statement of profit and loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through the statement of profit and loss.

j) Employee Benefits

The Company participates in various employee benefit plans. Post-employment benefits are classified as either defined contribution plans or defined benefit plans. Under a defined contribution plan, the Company's only obligation is to pay a fixed amount with no obligation to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits. The related actuarial and investment risks fall on the employee. The expenditure for defined contribution plans is recognized as expense during the period when the employee provides service. Under a defined benefit plan, it is the Company's obligation to provide agreed benefits to the employees. The related actuarial and investment risks fall on the Company. The present value of the defined benefit obligations is calculated using the projected unit credit method.

The Company has the following employee defined contribution plans:

a) Employee State Insurance

The Company's contribution to state plans namely Employee's State Insurance Scheme is a defined

Notes forming part of Financial Statements

for the year ended March 31, 2021

contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

b) Employee Pension Scheme

The Company's contribution to state plans namely Employee's Pension Scheme is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

c) Employee Provident Fund.

Liability in respect of contribution to Employee Provident fund is estimated on the basis of valuation in a manner similar to gratuity liability and is recognised in the balance sheet net of the fair value of the plan assets.

d) Gratuity

The Company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees. The plan provides for a lump-sum payment to employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days of last drawn salary for every completed year of service. Vesting occurs upon completion of five years of service. The Company make annual contributions to gratuity funds established as trusts and accounts for the liability for Gratuity benefits payable in the future based on actuarial valuation.

Actuarial gains or losses are recognized in other comprehensive income. Further, the statement of profit and loss does not include an expected return on plan assets. Instead net interest recognized in statement of profit and loss is calculated by applying the discount rate used to measure the defined benefit obligation to the net defined benefit liability or asset. The actual return on the plan assets above or below the discount rate is recognized as part of re-measurement of net defined liability or asset through other comprehensive income.

Re-measurements comprising actuarial gains or losses and return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are not reclassified to statement of profit and loss in subsequent periods.

e) Compensated absences

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognizes accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognized in the period in which the absences occur. The Company recognizes actuarial gains and losses immediately in the statement of profit and loss.

f) Leave Travel Concessions:

All confirmed employees are entitled to leave travel concession once in two years, the liability in this respect is recognised in the year the related service is rendered at the undiscounted amount of the benefit expected to be paid in exchange for that service.

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

k) Revenue recognition

Revenue is measured at fair value of consideration received or receivable. Revenues are recognised when collectability of the resulting receivables is reasonably assured.

Notes forming part of Financial Statements

for the year ended March 31, 2021

i) Interest

Interest income and expense are recognised in the statement of profit or loss using the effective interest (EIR) method. The effective interest method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest income or interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest rate, the Company estimates cash flows considering all contractual terms of the financial instrument but does not consider future credit losses.

Fees that are integral part of EIR are recognised as interest income.

ii) Fees and Commission

Fees and commission income include fees other than those that are an integral part of EIR. The company recognises such fee and commission income in accordance with terms of the relevant contracts / agreements with the customers.

iii) Insurance Commission

Commission on sale of insurance policies are recognised on an accrual basis in accordance with the agreed rates with the Insurer.

iv) Income from Investments

Interest Income on Investments in government securities is recognized as it accrues in the statement of profit and loss, using the effective interest method and interest on other investments is recognised on accrual basis.

v) Dividend Income

Dividend income is recognized in the statement of profit and loss on the date that the Company's right to receive payment is established.

vi) Other income

Other Income represents income earned from the activities incidental to the business of the Company and is recognised when the right to receive the income is established as per the terms of the contracts.

l) Finance expense

Finance expenses consist of interest expense on loans and borrowings. Borrowing costs are recognized in the statement of profit and loss using the effective interest method.

m) Foreign Currency

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (i.e. the "functional currency"). The financial statements are presented in Indian Rupee, the national currency of India, which is the functional currency of the Company.

ii) Transactions and Translations

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Foreign currency denominated monetary assets and liabilities are re-measured into the functional currency at the exchange rate prevailing on the balance sheet date. Exchange differences arising on settlement of transactions are recognised in the statement of profit and loss.

Foreign currency gains and losses are reported on a net basis. This includes changes in the fair value of foreign exchange derivative instruments, which are accounted at fair value through profit or loss.

n) Income tax

Income tax expense comprises current and deferred taxes. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income in which case is also recognised outside the statement of profit and loss.

a) Current income tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to

Notes forming part of Financial Statements

for the year ended March 31, 2021

set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

b) Deferred taxes

Deferred tax is recognized using the balance sheet approach. Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases, and unutilised business loss and depreciation carry forwards and tax credits.

Deferred tax asset is recognized to the extent that it is probable that future taxable income will be available against which the deductible temporary differences, unused tax losses, depreciation carry-forwards and unused tax credits could be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

o) Earnings per share (EPS)

Basic earnings per share is computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the period.

Diluted EPS is computed by dividing the net profit after tax by the weighted average number of equity shares considered for deriving basic EPS and also weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

p) Borrowing Costs

Borrowing costs include interest, commission/brokerage on deposits and exchange differences arising from foreign currency borrowings to the extent they are regarded as adjustment to interest cost. Interest expenses are accrued on a timely basis, by reference to the principal outstanding and at the effective interest rate (EIR) applicable. The effective interest method is a method of calculating the amortised cost of a financial liability and allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees paid that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

q) Provisions and contingent liabilities

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the end of each reporting period, taking into account the risks and uncertainties surrounding the obligation. When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, the receivable is recognized as an asset, if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably. Contingent liabilities are not recognized but are disclosed in the notes to financial statements. Contingent assets are not recognized but are disclosed in the notes to financial statements when economic inflow is probable.

r) Onerous contracts

Provision for onerous contracts i.e., contracts where the expected unavoidable costs of meeting the obligations under the contract exceed benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

s) Segment

The Company is engaged mainly in the business of Housing finance. The Company is also involved in the corporate insurance agency business activity, however it is not a separate reportable segment as per the Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013. This in the context of Ind AS 108 – operating segments reporting are considered to constitute one reportable segment.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 3 (a) Cash and Cash Equivalents

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Cash on hand	72.75	41.32
(ii)	Balances with Banks	0.74	189.05
(iii)	Fixed deposits with less than 3 months maturity	–	37,000.00
(iv)	Cheques, drafts on hand	5.34	–
(v)	Others	0.41	1.56
	Total	**79.25**	**37,231.93**

(b) Balances with Banks other than in (a) above

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Unpaid Dividend (earmarked)	185.52	173.02
(ii)	Share Application Money Pending Allotment (earmarked)	0.11	0.11
(iii)	Balances with Bank held for SLR [refer Note 3.1 below]	1,889.67	1,838.94
	Total	**2,075.30**	**2,012.06**

3.1 The above deposits are held to comply with the Statutory Liquidity Assets required to be maintained as per NHB /Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Direction, 2021. These carry a floating charge created in favour of trustees of depositors.

Note 4 Trade Receivables

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Unsecured (considered good)- Insurance commission receivable (refer note 43)	70.80	25.55
(ii)	Receivables Secured (considered good)	–	–
(iii)	Receivables which have significant increase in Credit Risk	–	–
(iv)	Receivables – credit impaired	–	–
	Total	**70.80**	**25.55**
	Less: Allowance for impairment loss	–	–
	Net Total	**70.80**	**25.55**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 5 Loans

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021					
		Amortised Cost	At Fair Value			Sub total	Total
			Through OCI	At FVTPL	Designated at FVTPL		
A	**Loans**						
(i)	Term Loans (refer note 5.1 below)	22,04,509.55	–	–	–	–	22,04,509.55
(ii)	Others	–	–	–	–	–	–
	Total	**22,04,509.55**	**–**	**–**	**–**	**–**	**22,04,509.55**
	Less: Impairment Loss Allowance (refer note 5.4 below)	15,361.32	–	–	–	–	15,361.32
	Total	**21,89,148.23**	**–**	**–**	**–**	**–**	**21,89,148.23**
B.							
(i)	Secured by tangible assets (refer note 5.2 below)	22,04,352.93	–	–	–	–	22,04,352.93
(ii)	Secured by intangible assets	–	–	–	–	–	–
(iii)	Covered by Bank/Government Guarantees	–	–	–	–	–	–
(iv)	Unsecured	156.62	–	–	–	–	156.62
	Total	**22,04,509.55**	**–**	**–**	**–**	**–**	**22,04,509.55**
	Less: Impairment Loss Allowance (refer note 5.4 and 5.5(iv))	15,361.32	–	–	–	–	15,361.32
	Total	**21,89,148.23**	**–**	**–**	**–**	**–**	**21,89,148.23**
C.	**Loans in India**	**–**	**–**	**–**	**–**	**–**	
(i)	Public Sector	–	–	–	–	–	–
(ii)	Others:						
	a) Individual	22,04,012.91					22,04,012.91
	b) Corporate	496.64					496.64
	Total	**22,04,509.55**	**–**	**–**	**–**	**–**	**22,04,509.55**
	Less: Impairment Loss Allowance (refer note 5.4 below)	15,361.32	–	–	–	–	15,361.32
	Total	**21,89,148.23**	**–**	**–**	**–**	**–**	**21,89,148.23**
D.	**Loans outside India**	–	–	–	–	–	–
	Less: Impairment Loss Allowance	–	–	–	–	–	–
	Total	**–**	**–**	**–**	**–**	**–**	**–**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 5 Loans (Contd..)

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2020					
		Amortised Cost	At Fair Value			Sub total	Total
			Through OCI	At FVTPL	Designated at FVTPL		
A	**Loans**						
(i)	Term Loans (refer note 5.1 below)	20,64,407.00	–	–	–	–	20,64,407.00
(ii)	Others	–	–	–	–	–	–
	Total	**20,64,407.00**	**–**	**–**	**–**	**–**	**20,64,407.00**
	Less: Impairment Loss Allowance (refer note 5.4 below)	11,837.75	–	–	–	–	11,837.75
	Total	**20,52,569.25**	**–**	**–**	**–**	**–**	**20,52,569.25**
B.							
(i)	Secured by tangible assets (refer note 5.2 below)	20,64,241.38	–	–	–	–	20,64,241.38
(ii)	Secured by intangible assets	–	–	–	–	–	–
(iii)	Covered by Bank/Government Guarantees	–	–	–	–	–	–
(iv)	Unsecured	165.62	–	–	–	–	165.62
	Total	**20,64,407.00**	**–**	**–**	**–**	**–**	**20,64,407.00**
	Less: Impairment Loss Allowance (refer note 5.4 below)	11,837.75	–	–	–	–	11,837.75
	Total	**20,52,569.25**	**–**	**–**	**–**	**–**	**20,52,569.25**
C.	**Loans in India**	–	–	–	–	–	
(i)	Public Sector	–	–	–	–	–	–
(ii)	Others:						
	a) Individual	20,63,785.32					20,63,785.32
	b) Corporate	621.68					621.68
	Total	**20,64,407.00**	**–**	**–**	**–**	**–**	**20,64,407.00**
	Less: Impairment Loss Allowance (refer note 5.4 below)	11,837.75	–	–	–	–	11,837.75
	Total	**20,52,569.25**	**–**	**–**	**–**	**–**	**20,52,569.25**
D.	**Loans outside India**	–	–	–	–	–	–
	Less: Impairment Loss Allowance	–	–	–	–	–	–
	Total	–	–	–	–	–	–

Note 5.1 Loans outstanding is net of processing fee which is recognised as interest income using EIR method.

Note 5.2 Loans and instalments due from borrowers are secured, partly secured or otherwise by:

(a) Registered mortgage of property and/or

(b) Other securities, assignment of life insurance policies and/or

(c) Bank guarantees, company guarantees or personal Guarantees and/or

(d) Negative lien and/or

(e) Undertaking to create a security.

(f) Vehicles Loan given to employees are secured by hypothecation of vehicles

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 5.3

The Company has acquired certain assets under SARFAESI Act which are retained for the purpose of sale under the rules and regulations of SARFAESI Act involving market value of ₹2,734.79 lakhs (Previous Year ₹ 2,394.64 lakhs), which are part of NPA portfolio aggregating to ₹1,738.04 lakhs (Previous Year ₹ 1,635.88 lakhs) for which necessary provisions have already been made. These assets are accounted as and when they are realised.

Note 5.4 Break up of Loans & Advances and Provisions thereon

(₹ in Lakhs)

Particulars	Housing		Non – Housing	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Standard Assets:				
a) Total Outstanding Amount	18,11,807.52	17,06,566.25	3,78,485.38	3,48,283.30
b) Provision made	4,531.41	4,269.35	3,305.89	3,037.61
Sub-Standard Assets:				
a) Total Outstanding Amount	5,295.84	4,818.84	1,655.75	2,914.93
b) Provision made	811.50	745.54	272.24	468.18
Doubtful Assets – Category I:				
a) Total Outstanding Amount	3,447.45	2,767.16	2,218.35	975.80
b) Provision made	894.89	716.41	589.79	258.30
Doubtful Assets – Category II:				
a) Total Outstanding Amount	4,056.71	2,183.18	1,707.64	1,037.60
b) Provision made	1,663.14	905.99	717.02	420.48
Doubtful Assets – Category III:				
a) Total Outstanding Amount	326.61	60.36	77.51	–
b) Provision made	326.61	60.36	77.51	–
Loss Assets:				
a) Total Outstanding Amount	1,286.54	938.58	118.97	16.95
b) Provision made	1,286.54	938.58	118.97	16.95
Total				
a) Total Outstanding Amount	**18,26,220.67**	**17,17,334.37**	**3,84,263.59**	**3,53,228.58**
b) Provision made	**9,514.09**	**7,636.23**	**5,081.42**	**4,201.52**

Note:

a. The Total Outstanding Amount mean Principal + accrued interest + other charges pertaining to loans without netting off.

b. The category of Doubtful Assets will be as under:

Period for which the assets has been considered Doubtful	Category
Upto one year	Category – I
One to three years:	Category – II
More than three years :	Category – III

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 5.5:

(i) The above asset classification and provisioning held are as per the Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 as on March 31, 2021.

(ii) Provision for Non-performing assets required to be maintained as per Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Directions, 2021 is to the extent of ₹ 6,758.21 lakhs (Previous year ₹ 4,530.79 lakhs). The company, has made provision for the same.

The Company holds 33.47% (Previous Year 28.83 %) provision against the Non-Performing Assets.

(iii) General provision required to be maintained in respect of accounts in default but standard and asset classification benefit extended, as per RBI Circular on 'COVID-19 Regulatory Package dated 17th April' 2020. Against this, the Company continous to holds a provision of ₹ 6,984.05 lakhs, on account of COVID – 19 Stress. This provision amount is disclosed as Special Provisioning for RBI regulatory package under Note 17: "Provisions" (also refer Note 46).

(iv) In respect of personal loans where a resolution plan is implemented under this facility, the Company created provision of ₹ 765.81 provision requirements under Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020.

5.6 All housing finance companies are required to carry a general provision (i) at the rate of 1% of Standard Assets in respect of Commercial Real Estates other than Residential Housing, (ii) at the rate of 0.75% of Standard Assets in respect of Commercial Real Estate – Residential Housing and (iii) at the rate of 0.25%individual housing loans which are Standard Assets other than (i) and (ii) above. Loans to individuals for 3rd dwelling units onwards shall be treated as Commercial Real Estate (CRE) exposure. The Company carries a cumulative provision of ₹ 7,837.29 lakhs (Previous Year: 7,306.96 lakhs).

(₹ in Lakhs)

Particulars	2020–21		2019–20	
	Outstanding	Provisions	Outstanding	Provisions
(i).Standard Assets – Commercial Real Estate	298,657.73	2,986.58	274,057.92	2,740.58
(ii).Standard Assets – Commercial Real Estate – Residential Housing	377.50	2.83	621.68	4.66
(iii).Standard Assets – Other than (i) & (ii) above	1,891,257.67	4,847.89	1,780,169.96	4,561.72
Total Standard Assets & Provisions required	2,190,292.90	7,837.29	2,054,849.55	7,306.96
Total Provision held for Standard Assets		**7,837.29**		**7,306.96**

Provisions and Contingencies

(₹ in Lakhs)

Break up of Provisions and Contingencies	As at March 31, 2021	As at March 31, 2020
Provision for depreciation on Investment	–	–
Provision made towards Income Tax (net)- refer Note 17	41.90	155.65
Provision towards NPA – refer Note 5.4	6,758.21	4,530.79
Provisions for Standard Assets (for CRE. CRE-RH & Others) – refer Note 5.6	7,837.29	7,306.96
Other Provisions & Contingencies- Disputed Income Taxes -refer Note 17	**197.88**	**1,050.97**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 5.7

Asset Liability Management (Maturity Pattern of Certain items of Assets & Liabilities) as on March 31, 2021

Particulars	In Days			In Months			In Years				Total
	1 day to 7 days	8 to 14 days	15 to 30/31 days	Over one month upto 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months to 1 year	Over 1 year to 3 years	Over 3 year to 5 years	Over 5 years	
Liabilities-											
Deposits	284.39	326.22	937.48	949.55	660.30	5,177.95	13,834.34	15,755.86	6,309.63	11.43	44,247.15
Borrowings from Banks	–	–	63,554.40	4,984.94	52,180.18	87,871.69	2,61,725.48	4,04,793.49	2,91,189.44	2,16,554.30	13,82,853.91
Market Borrowings-											
NCD and CP*	–	–	–	10,000.00	40,000.00	80,000.00	2,52,200.00	1,12,500.00	10,000.00	–	5,04,700.00
Foreign Currency Liabilities	–	–	–	–	–	–	–	–	–	–	–
Assets-											
Advances	7,722.51	8,747.57	7,511.04	21,184.68	22,632.71	69,240.62	1,42,541.76	2,76,623.94	2,78,905.51	13,75,509.14	22,10,619.49
Investments (Includes SLR deposits)	–	–	–	25.00	20.00	464.61	1,380.06	–	100.00	4,750.00	6,739.67
Foreign Currency Assets	–	–	–	–	–	–	–	–	–	–	–

* NCD and CP taken at face value.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 6 Investments

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021						
		Amortised Cost	At Fair Value			Sub Total	Others	Total
			Through OCI	At FVTPL	Designated at FVTPL			
(i)	Mutual Funds	–						
(ii)	Government Securities (refer note 6.1 below)	4,960.39	–	–	–	–	–	4,960.39
(iii)	Other Approved Securities	–	–	–	–	–	–	
(iv)	Others	–	–	–	–	–	–	
(A)	**Total**	**4,960.39**	**–**	**–**	**–**	**–**	**–**	**4,960.39**
(i)	Investments outside India	–	–	–	–	–	–	
(ii)	Investments in India	4,960.39	–	–	–	–		4,960.39
(B)	**Total**	**4,960.39**	**–**	**–**	**–**	**–**	**–**	**4,960.39**
	(A)-(B)	–	–	–	–	–	–	–
	Less: Impairment Loss Allowance	–	–	–	–	–	–	–
	Total	**4,960.39**	**–**	**–**	**–**	**–**	**–**	**4,960.39**

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2020						
		Amortised Cost	At Fair Value			Sub Total	Others	Total
			Through OCI	At FVTPL	Designated at FVTPL			
(i)	Mutual Funds	–	–	–	–	–	–	–
(ii)	Government Securities (refer note 6.1 below)	2,430.50	–	–	–	–	–	2,430.50
(iii)	Other Approved Securities	–	–	–	–	–	–	–
(iv)	Others	–	–	–	–	–	–	–
(A)	**Total**	**2,430.50**	**–**	**–**	**–**	**–**	**–**	**2,430.50**
(i)	Investments outside India	–	–	–	–	–	–	–
(ii)	Investments in India	2,430.50	–	–	–	–	–	2,430.50
(B)	**Total**	**2,430.50**	**–**	**–**	**–**	**–**	**–**	**2,430.50**
	(A)-(B)	–	–	–	–	–	–	–
	Less: Impairment Loss Allowance	–	–	–	–	–	–	–
	Total	**2,430.50**	**–**	**–**	**–**	**–**	**–**	**2,430.50**

Note 6.1: Details of investment held in Government Securities.

(₹ in Lakhs)

Sl. No.	Government securities	At cost	
		As at March 31, 2021	As at March 31, 2020
1	6.01% Government of India	500.00	500.00
2	8.26% Maharashtra SDL	500.00	500.00
3	9.19% Kerala SDL	109.34	109.34
4	8.05% Gujarat SDL	511.60	511.60
5	8.16% Gujarat SDL	213.08	213.08
6	7.17% Karnataka SDL	497.40	497.40
7	7.17% Karnataka SDL	50.17	50.17
8	7.35% Karnataka SDL	2,527.25	–
	Total	**4,908.84**	**2,381.59**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 6.2

The above investments are made to comply with the Statutory Liquidity Assets to be maintained under NHB/Non-Banking Financial Company-Housing Finance Company (Reserve Bank) Direction, 2021. These carry a floating charge created in favour of trustees of depositors. The total investments under Statutory Liquidity Assets include ₹4,960.39 lakhs (Previous Year ₹ 2,430.50 lakhs) [valued at amortised cost] in Government securities and ₹ 1,889.67 lakhs (Previous Year ₹ 1,838.94 lakhs) in deposits with Nationalised Bank.

Note 6.3

Disclosure of Investment as per the Non Banking Financial Company – Housing Finance Company (Reserve Bank) Direction, 2021.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Value of Investments		
i) Gross Value of investments (valued at amortised cost)		
a) In India	4,960.39	2,430.50
b) Outside India	–	–
ii) Provisions for Depreciation		
a) In India	–	–
b) Outside India	–	–
iii) Net value of Investments (valued at amortised cost)		
a) In India	4,960.39	2,430.50
b) Outside India	–	
Movement of provisions held towards depreciation on investments		
i) Opening Balance	–	–
ii) Add Provisions made during the year	–	–
iii) Less Write-off / Write-back of excess provisions during the year	–	–
iv) Closing Balance	–	–

Note 7 Other Financial Assets

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Security deposits	275.82	247.69
(ii)	Interest income accrued but not due on deposits with banks	42.20	7.14
(iii)	Staff advance	51.64	47.80
	Total	**369.66**	**302.63**

Note 8

8.1 Current Tax Assets (Net)

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Advance Income tax (net of provision)*	1,830.19	2,403.93
	Total	**1,830.19**	**2,403.93**

* Includes amounts paid/adjusted under dispute.

Notes forming part of Financial Statements

for the year ended March 31, 2021

8.2 Deferred Tax Assets (Net)

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
	Deferred Tax Assets on:		
(i)	Property, plant and equipment	144.42	118.02
(ii)	Expected Credit Loss Provision	385.97	193.23
(iii)	Provision for employee benefits	596.57	393.75
(iv)	Financial assets/liabilities carried at amortised cost	1,660.75	1,764.50
(v)	Special Provisioning for RBI regultory package	1,757.75	919.75
	Total (A)	**4,545.46**	**3,389.25**
	Deferred Tax Liabilities on:		
(i)	Property, plant and equipment	–	–
(ii)	Financial assets/liabilities carried at amortised cost	–	–
	Total (B)	**–**	**–**
	Total (A) – (B)	**4,545.46**	**3,389.25**

Note 9 Property, Plant and Equipment

(₹ in Lakhs)

Particulars	Tangible Assets									
		Buildings								
	Land - Free Hold	Owned	Right of use asset (Refer Note 44)	Furniture and Fixtures	Computers	Office equipment	Electrical equipments	Vehicles - cars	Vehicles - Two wheelers	Total
Gross Carrying Value										
As at April 01, 2020	98.69	207.45	3,383.00	1,202.79	863.45	74.46	794.87	87.58	123.76	6,836.04
Additions	–	–	790.21	74.06	108.16	3.11	45.81	–	3.10	1,024.45
Disposals/Adjustments	–	–	185.90	27.61	17.57	25.02	27.91	4.59	0.55	289.16
As at March 31, 2021	**98.69**	**207.45**	**3,987.30**	**1,249.24**	**954.04**	**52.55**	**812.76**	**82.99**	**126.32**	**7,571.34**
Accumulated Depreciation										
As at April 01, 2020	–	134.26	619.57	835.37	713.84	66.30	525.41	68.82	82.73	3,046.30
Charge for the period	–	4.39	631.82	103.70	120.09	4.47	75.88	5.86	11.06	957.27
Disposals/Adjustments			121.70	23.23	17.55	23.97	23.49	4.21	0.53	214.68
As at March 31, 2021	**–**	**138.65**	**1,129.69**	**915.85**	**816.37**	**46.80**	**577.80**	**70.46**	**93.26**	**3,788.89**
Net Carrying Value as at March 31, 2021	**98.69**	**68.80**	**2,857.61**	**333.39**	**137.67**	**5.75**	**234.96**	**12.53**	**33.05**	**3,782.44**
Gross Carrying Value										
As at April 01, 2019	98.69	207.45	–	1,116.00	676.82	72.92	739.73	92.37	115.38	3,119.37
Additions	–	–	3,383.00	96.99	191.01	2.29	73.13	–	10.88	3,757.31
Disposals/Adjustments	–	–		10.21	4.38	0.75	18.00	4.79	2.50	40.63
As at March 31, 2020	**98.69**	**207.45**	**3,383.00**	**1,202.79**	**863.45**	**74.46**	**794.87**	**87.58**	**123.76**	**6,836.04**
Accumulated Depreciation										
As at April 01, 2019	–	129.57	–	730.78	620.91	61.04	455.32	64.56	72.04	2,134.22
Charge for the period	–	4.69	619.57	113.86	97.29	5.96	84.42	8.63	12.72	947.13
Disposals/Adjustments	–	–	–	9.26	4.36	0.69	14.33	4.37	2.03	35.04
As at March 31, 2020	**–**	**134.26**	**619.57**	**835.37**	**713.84**	**66.30**	**525.41**	**68.82**	**82.73**	**3,046.30**
Net Carrying Value as at March 31, 2020	**98.69**	**73.19**	**2,763.43**	**367.42**	**149.61**	**8.16**	**269.46**	**18.76**	**41.03**	**3,789.74**

1. Freehold land includes value of undivided share in the land in case of certain properties.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 10 Other Non-financial Assets

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Advance to employees	0.23	1.59
(ii)	Advance to capital vendors	0.62	6.23
(iii)	GST Input Credit	103.35	10.48
(iv)	Surplus in Gratuity Fund (net of provision)	197.72	77.68
(v)	Others	210.83	107.78
	Total	**512.75**	**203.76**

Note 11 Payables

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
	A. Trade Payables:		
(i)	total outstanding dues of micro enterprises and small enterprises	–	
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	432.58	400.35
	B. Other Payables		
(i)	total outstanding dues of micro enterprises and small enterprises	–	–
(ii)	total outstanding dues of creditors other than micro enterprises and small enterprises	–	23.60
	Total	**432.58**	**423.95**

11.1 Trade payables include ₹ Nil (Previous Year ₹Nil) payable to "Suppliers" registered under The Micro, Small & Medium Enterprises Development Act 2006. No interest has been paid by the company during the year to the "suppliers" covered under The Micro, Small & Medium Enterprises Development Act, 2006. The above information takes into account only those suppliers who have responded to enquiries made by the company for this purpose.

Note 12 Debt Securities

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021				As at March 31, 2020			
		At Amortised Cost	At FVTPL	Designated at FVTPL	Total	At Amortised Cost	At FVTPL	Designated at FVTPL	Total
(i)	Liability component of compound financial instruments	–	–	–	–	–	–		
(ii)	Others: Secured								
	Redeemable Non Convertible Non-Cumulative Debentures (refer Note 12.1& 12.2 below)	1,29,751.24	–	–	1,29,751.24	2,56,211.93	–	–	2,56,211.93
(iii)	Others: Unsecured								
	Commercial Paper (Refer Note 12.3 below)	3,59,379.00	–	–	3,59,379.00	1,24,743.20	–	–	1,24,743.20
(A)	**Total**	**4,89,130.24**			**4,89,130.24**	**3,80,955.13**			**3,80,955.13**
	Debt securities in India	4,89,130.24			4,89,130.24	3,80,955.13			3,80,955.13
	Debt securities outside India	–	–	–	–	–	–	–	
(B)	Total	4,89,130.24	–	–	4,89,130.24	3,80,955.13	–	–	3,80,955.13
	(A) – (B)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	

Notes forming part of Financial Statements

for the year ended March 31, 2021

12.1 During the year the Company has issued 6.25% CFHL 1SRNCD 2020 2023 at Face Value of ₹ 27,500 lakhs Secured Redeemable Non-Convertible Non-Cumulative Taxable Debentures (previous year 7.85% CFHL SRNCD 2019 Series – 1 at Face Value of ₹ 25,000 lakhs). These debentures are secured by way of floating charge on the assets i.e., loan receivables specifically earmarked for this purpose.

The details of the Secured Redeemable Non Convertible Taxable Debentures as on March 31, 2021 are as follows:

(₹ in Lakhs)

Debentures	Date of Issue	Date of Redemption	Rate of Interest	Rupees In lakhs (Face Value)
7.77% SRNCD 2016 Series – 3	15-Nov-16	15-Nov-21	7.77%	12,200.00
7.89% SRNCD 2016 Serier – 6	18-May-17	18-May-22	7.89%	60,000.00
7.85% CFHL SRNCD 2019 Series – 1	27-Feb-20	27-May-23	7.85%	25,000.00
6.25% CFHL 1SRNCD 2020 2023	24-Dec-20	24-Dec-23	6.25%	27,500.00
Total				**1,24,700.00**

12.2 Nature of security and terms of repayment

Secured by first and exclusive floating charge on specified assets by hypothecation of book debts and loan receivables. Interest will be paid annually and principal amount will be paid on maturity.

12.3 Commercial Paper of the Company have a maturity value of ₹ 3,70,000 lakhs (previous year ₹ 1,27,500 lakhs), the details of the same are as follows:

(₹ in Lakhs)

Sl No.	Issue date	No. of units	Due Date	Period in days	Discount Rate	Face value in lakhs
1	26-05-2020	2,000	25-05-2021	364	6.50%	10000
2	23-06-2020	8,000	23-06-2021	365	5.40%	40000
3	05-03-2021	8,000	05-08-2021	153	4.23%	40000
4	16-10-2020	8,000	27-09-2021	346	4.30%	40000
5	19-11-2020	3,000	18-11-2021	364	4.07%	15000
6	12-01-2021	8,000	23-11-2021	315	4.18%	40000
7	24-11-2020	4,000	23-11-2021	364	4.07%	20000
8	18-02-2021	10,000	18-01-2022	334	4.89%	50000
9	8-02-2021	10,000	08-02-2022	365	4.99%	50000
10	12-03-2021	8,000	11-03-2022	364	4.85%	40000
11	16-03-2021	5,000	16-03-2022	365	4.85%	25000
	Total					**3,70,000.00**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 13 Borrowings (other than debt Securities)

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021				As at March 31, 2020			
		At Amortised Cost	At FVTPL	Designated at FVTPL	Total	At Amortised Cost	At FVTPL	Designated at FVTPL	Total
(a)	Term Loans								
	Secured								
(i)	from Banks [1] & [2]	9,73,832.18	–	–	9,73,832.18	10,43,900.28			10,43,900.28
(ii)	from other parties	–	–	–	–	–	–	–	–
	Unsecured								
(i)	from Banks	1,01,893.98	–	–	1,01,893.98	43,602.57			43,602.57
(ii)	from others	–	–	–	–	–	–	–	–
(b)	Loans from related parties								
	–From Canara Bank								
	–Term Loans (Secured)	92,353.14	–	–	92,353.14	2,26,094.05	–	–	2,26,094.05
	–Loans repayable on demand (Secured)	1,35,116.56	–	–	1,35,116.56	51,713.29	–	–	51,713.29
(c)	Finance lease obligations	–	–	–	–	–			
(d)	Liability component of compound financial instruments	–	–	–	–	–	–	–	
(e)	Loans repayable on demand	–							
	Secured:	–							
(i)	from Banks [1]	50,000.00	–	–	50,000.00	10,053.78	–	–	10,053.78
(ii)	from other parties	–	–	–	–	–	–	–	–
	Unsecured	–							
(i)	from Banks [1]	32,425.61	–	–	32,425.61	77,725.77	–	–	77,725.77
(f)	Other loans	–	–	–	–	–	–	–	
(A)	**Total**	**13,85,621.47**	**–**	**–**	**13,85,621.47**	**14,53,089.75**	**–**	**–**	**14,53,089.75**
	Borrowings in India	13,85,621.47	–	–	13,85,621.47	14,53,089.75			14,53,089.75
	Borrowings outside India	–	–	–	–	–	–	–	–
(B)	**Total**	**13,85,621.47**	**–**	**–**	**13,85,621.47**	**14,53,089.75**	**–**	**–**	**14,53,089.75**
	(A) – (B)	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**

[1] Borrowings from Banks which are also related parties are shown separately under Loan from related parties in Sl No. (b) above

[2] Includes borrowings outstanding aggregating to ₹3,95,494.08 lakhs (Previous Year 3,44,688.26 lakhs) from National Housing Bank.

13.1 Secured loans includes borrowings from National Housing Bank, Canara Bank, HDFC Bank, and State Bank of India etc., are secured by way of specific charge on book debts, outstanding, receivables, etc.,/ promissory notes and / or a negative lien on assets of the Company. The tenure of the Long term borrowings are more than one year and upto 15 years and that of short term borrowings is less than 1 year.

13.2 There is no amount of continuing default as on the Balance Sheet date in terms of repayment of loans & interest on Borrowings of the Company.

Notes forming part of Financial Statements

for the year ended March 31, 2021

13.3 Details of Rate of Interest and Terms of Repayment in case of term loans:

Sl. No	Name of the Bank	Facility	Sanction (₹ in lakhs)	Date of Sanction	Interest Rate CY (PY)	Terms of Repayment
1	Canara Bank	Term loan	1,50,000	21-Aug-17	6.95% (7.65%)	Each Tranche Repayable in 10 equal yearly installments after a moratorium/ repayment holiday period of 12 months from the date of first disbursement
2	State Bank of India	Term loan	1,00,000	23-Apr-18	6.27%(7.80%)	Repayable in 40 quarterly instalments of ₹25.00 crores
3	State Bank of India	Term loan	50,000	29-Jan-18	6.65%(7.80%)	Repayable in 40 quarterly instalments of ₹12.50 crores
4	State Bank of India	Term loan	1,00,000	31-Dec-18	6.06%(7.70%)	Repayable in 40 quarterly instalments of ₹25.00 crores
5	State Bank of India	Term loan	1,00,000	13-Sep-19	6.65%(7.80%)	Repayable in 40 quarterly instalments of ₹25.00 crores
6	HDFC Bank	Term loan	30,000	20-Jan-18	5.65%(5.65%)	28 Equal Quarterly Installments
7	HDFC Bank	Term loan	25,500	16-May-18	4.27% (5.65%)	28 Equal Quarterly Installments
8	HDFC Bank	Term loan	50,000	22-Mar-19	5.50% (7.85%)	Equal Monthly Principal Installments
9	HDFC Bank	Term loan	1,00,000	29-Nov-19	5.50% (7.70%)	Equal Monthly Principal Installments
10	HDFC Bank	Term loan	1,00,000	27-Jul-20	5.50%(7.70%)	Equal Monthly Principal Installments
11	Federal Bank	Term loan	25,000	8-Feb-18	5.99%(7.65%)	28 Equal Quarterly Installments
12	Federal Bank	Term loan	25,000	8-Feb-18	5.99%(7.65%)	28 Equal Quarterly Installments
13	Federal Bank	Term loan	25,000	11-Jun-19	5.99%(7.65%)	28 Equal Quarterly Installments
14	Federal Bank	Term loan	8,500	20-Jul-19	5.99%(7.95%)	28 Equal Quarterly Installments
15	Federal Bank	Term loan	10,000	27-Dec-19	5.99%(7.65%)	28 Equal Quarterly Installments
16	Federal Bank	Term loan	25,000	21-Sep-20	5.99%(NA)	28 Equal Quarterly Installments
17	Bank of India	Term loan	1,00,000	27-Sep-19	6.70%(7.50%)	Each Tranche Repayable in 10 equal yearly installments from 12 months from the date of first disbursement
18	Bank of India	Short Term loan	50,000	5-Mar-21	6.00%(NA)	Each Tranche Repayable in 10 equal yearly installments from 12 months from the date of first disbursement
19	Indian Bank	Term loan	30,000	19-Sep-20	5.50%(NA)	Each Tranche Repayable in 3 equal yearly installments.
20	Indian Bank	Term loan	70,000	19-Sep-20	5.50%(NA)	Each Tranche Repayable in 10 equal yearly installments.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 14 Deposits

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021				As at March 31, 2020			
		At Amortised Cost	At FVTPL	Designated at FVTPL	Total	At Amortised Cost	At FVTPL	Designated at FVTPL	Total
	Deposits								
(i)	Public Deposits [refer note 14.1 & 14.2 below]	43,400.09	–	–	43,400.09	26,780.47	–	–	26,780.47
(iii)	From Banks	–	–	–	–	–	–	–	–
(iii)	From Others:	–	–	–	–	–	–	–	
	Deposits from others	847.07	–	–	847.07	3,727.58	–	–	3,727.58
	Total	**44,247.15**	**–**	**–**	**44,247.15**	**30,508.05**	**–**	**–**	**30,508.05**

14.1 As per the directions of the National Housing Bank, the Company has created floating charge on Statutory Liquid Assets (Investments in Govt. Securities (including other approved securities) and Deposits in Commercial Banks) in favour of the Trustees of the depositors in a manner prescribed by the National Housing Bank in terms of sub-sections (1) & (2) of section 29B of the NHB Act, 1987 [Refer Note 3.1 and 6.1].

14.2 The Company has not received any money from the Directors during the current financial year and previous financial year.

Note 15 Subordinated Liabilities

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021				As at March 31, 2020			
		At Amortised Cost	At FVTPL	Designated at FVTPL	Total	At Amortised Cost	At FVTPL	Designated at FVTPL	Total
1	Unsecured Redeemable Non Convertible Debenture (refer Note 15.1 below)	10,291.47	–	–	10,291.47	10,291.47	–	–	10,291.47
	– in India	10,291.47			10,291.47	10,291.47			10,291.47
	– outside India	–	–	–	–	–	–	–	
(B)	**Total**	**10,291.47**	**–**	**–**	**10,291.47**	**10,291.47**	**–**	**–**	**10,291.47**

Note 15.1

The details of the Unsecured Non Convertible Debentures in the nature Tier II capital as on March 31, 2021 are as follows:

Particulars	Date of Issue	Date of Redemption	Rate of Interest	Amount in lakhs (Face value)
8.94% CFHL UNCD 2014	03-Dec-14	03-Dec-24	8.94%	10,000.00

Further, the Company has issued Unsecured Debentures in the nature of Tier II capital worth ₹ 10,000 lakhs in the financial year 2014–15 for a term of 10 years through private placement. These Debentures are subordinated to present and future senior indebtedness of the Company and qualify as Tier II Capital under the National Housing Bank (NHB) guidelines for assessing capital adequacy. Based on the balance term to maturity as at March 31, 2021, 60% of the book value of the subordinated debt is considered as Tier II Capital for the purpose of Capital Adequacy computation.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 16 Other Financial Liabilities

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Unpaid matured deposits and interest accrued thereon [refer Note 16.1 below]	1,177.56	1,999.37
(ii)	Unclaimed Dividend (refer 16.2 below)	185.52	173.02
(iii)	Due to customers/borrowers	97.98	122.59
(iv)	Lease Liability (refer Note 44)	3,617.04	3,576.85
	Total	**5,078.10**	**5,871.82**

16.1 As required under Section 125 of the Companies Act, 2013, the Company has transferred ₹ 16.94 lakhs as unclaimed deposits (Previous Year ₹9.99 lakhs) and ₹13.27 lakhs as unclaimed dividend to Investor Education and Protection Fund (IEPF) during the year as of March 31, 2021, except to the extent of ₹ 66.72 lakhs (Previous Year ₹ 60.49 lakhs) in respect of claims that are disputed deposits. As of March 31, 2021, no amount was due for transfer to the IEPF.

16.2 There are no dividends which are pending to be transferred to Investor Education and Protection Fund as per Sec 125 of the Companies Act, 2013 as at year end.

Note 17 Provisions

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Provision for Income Tax (net of advance tax)	41.90	155.65
(ii)	Provision for Employee Benefit (Refer Note 37)	3,001.52	1,761.96
(iii)	Special provisioning for RBI regulatory package (Refer Note 5.5(iii) and 46)	6,984.05	3,654.45
(iv)	Provision for contingencies (income taxes)	197.88	1,050.97
	Total	**10,225.35**	**6,623.03**

Note 18 Other Non Financial Liabilities

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	Revenue received in advance	569.94	561.73
(ii)	Statutory Dues	220.43	304.13
(iii)	Other Payables:		
	(i) Cheques pending presentation	5.34	–
	(ii) Cheques pending realisation	1.24	0.11
	(iii) Time barred cheques	38.47	79.45
	(iv) Other monies received in advance	341.02	287.29
	(v) Others	190.90	355.85
	Total	**1,367.34**	**1,588.57**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 19 Equity Share Capital

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	**Authorised:**		
	35,00,00,000 Equity Shares of ₹ 2 each (Previous Year 2019–20: 35,00,00,000 Equity Shares of ₹ 2 each)	7,000.00	7,000.00
(ii)	**Issued and Subscribed:**		
	13,32,27,875 Equity Shares of ₹2 each (Previous Year 2019–20: 13,32,27,875 Equity Shares of ₹2 each)	2,664.56	2,664.56
(iii)	**Paid up:**		
	13,31,54,125 Equity shares of ₹ 2 each (Previous Year 2019–20: 13,31,54,125 Equity shares of ₹ 2 each)	2,663.08	2,663.08
	Add : Forfeited Shares	0.23	0.23
	Total	**2,663.31**	**2,663.31**

19.1 Reconciliation of number of shares outstanding and the amount of share capital at the beginning and end of the year

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	₹ in lakhs	No. of shares	₹ in lakhs
Equity Shares outstanding as at the beginning of the year	13,31,54,125	2,663.31	13,31,54,125	2,663.31
Add: Equity shares issued during the year	–	–	–	–
Equity Shares outstanding as at the end of the year	**13,31,54,125**	**2,663.31**	**13,31,54,125**	**2,663.31**

19.2 Details of shareholding more than 5% of equity shares in the company

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	No. of shares	% of shares held to total shares	No. of shares	% of shares held to total shares
Canara Bank (sponsor bank)	3,99,30,365	29.99	3,99,30,365	29.99
Chhattisgarh Investments Ltd	95,64,655	7.18%	1,06,49,521	8.00
Caladium Investment Pte Ltd	NA	NA	1,66,38,752	12.50

19.3 Terms and rights attached to Equity Shares: The Company has one class of Equity shares having a face value of ₹ 2/- per share and each shareholder is eligible for one vote per share held. In the event of liquidation the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amount in proportion to their shareholdings.

19.4 For the period of five years immediately preceding the FY 2020–21

(A) Aggregate number and class of shares allotted as fully paid-up pursuant to contract(s) without payment being received in cash is NIL

(B) Aggregate number and class of shares allotted as fully paid-up by way of bonus shares is NIL

(C) Aggregate number and class of shares bought back is NIL

19.5 The Company has not :

A) Issued any securities convertible into equity/preference shares.

B) Issued any shares where calls are unpaid.

C) Forfeited any shares.

D) Issued any shares reseved for issue under options and contracts or commitments for sale of shares or divestment.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 20 Other Equity

(₹ in Lakhs)

Sl. No.	Particulars	As at March 31, 2021	As at March 31, 2020
(i)	**Special Reserve (created as per requirement of Income Tax Act – Section 36(1) (viii)):**		
	Balance at the beginning of the year	65,843.00	54,160.45
	Transferred from statement of profit and loss (refer Note 20.1 below)	12,054.62	11,682.55
	Balance at the end of the year (A)	**77,897.62**	**65,843.00**
	Cumulative Tax effect on special reserve at the beginning of the year	11,081.55	8,141.29
	Tax effect for the year	3,033.91	2,940.26
	Cumulative Tax effect at the end of the year (B)	**14,115.46**	**11,081.55**
	Total (A)+(B)	**92,013.09**	**76,924.55**
(ii)	**General Reserve**		
	Balance at the beginning of the year	62,971.35	55,483.09
	Add: Transferred from statement of profit and loss	9,120.62	7,488.26
	Balance at the end of the year	**72,091.97**	**62,971.35**
(iii)	**Statutory Reserve (created as per the requirement of Section 29C of the NHB Act, 1987)**		
	Balance at the beginning of the year	32,023.55	24,535.29
	Add: Transferred from statement of profit and loss (refer Note 20.1 below)	9,120.62	7,488.26
	Balance at the end of the year	**41,144.17**	**32,023.55**
(iv)	**Securities Premium Reserve**		
	Balance at the beginning of the year	27,297.54	27,297.54
	Add: Received during the year	–	–
	Balance at the end of the year	**27,297.54**	**27,297.54**
(v)	**Profit and loss account (Including Other Comprehensive Income)**		
	Balance at the beginning of the year	13,126.55	5,937.64
	Add: Total comprehensive income for the year	45,603.10	37,441.32
	Add/ (Less):- Impact on adoption of Ind AS 116 (refer Note 44)		(382.80)
	Add/ (Less):- Transferred to Special Reserve (refer Note 20.1 below)	(12,054.62)	(11,682.55)
	Add/ (Less):- Transferred to Statutory Reserve (refer Note 20.1 below)	(9,120.62)	(7,488.26)
	Add/ (Less):- Transferred to General Reserve	(9,120.62)	(7,488.26)
	Add/ (Less):- Dividend (refer Note 20.2 & 20.3 below)	(2,663.08)	(2,663.08)
	Add/ (Less):- Corporate Dividend Tax thereon	–	(547.45)
	Balance at the end of the year	**25,770.70**	**13,126.55**
(vi)	**Share application money pending allotment**		
	Balance at the beginning of the year	–	–
	Less: Allotted during the year	–	–
	Balance at the end of the year	**–**	**–**
	Total	**2,58,317.46**	**2,12,343.54**

Notes forming part of Financial Statements

for the year ended March 31, 2021

20.1 As per Section 29C of the National Housing Bank Act, 1987, the Company is required to transfer at least 20% of its net profits every year to a reserve before any dividend is declared. For this purpose, any Special Reserve created by the Company under Section 36(1) (viii) of the Income Tax Act, 1961 is considered to be an eligible transfer u/s 29C of the NHB Act, 1987 also. The Company has transferred a sum of ₹12,054.62 lakhs (Previous Year ₹11,682.55 lakhs) to Special Reserve which is in terms of Section 36(1)(viii) of the Income Tax Act, 1961 and ₹9,120.62 lakhs (Previous Year ₹ 7,488.26 lakhs) to Additional Reserve u/s 29C of the NHB Act, 1987 during the FY 2020–21.

20.2 The Company has paid dividend of ₹ 2/- per share on the equity shares of face value of ₹ 2/- each pertaining to FY 2019–20, post approval by the members in the 33rd AGM held on 26th August, 2020.

20.3 The Board of Directors, have recommended final dividend of ₹2/- per equity share, this dividend will be paid after the approval of the members at the ensuing AGM. According to the requirements of Ind AS 10- Events occurring after Balance sheet date, the dividend declared and tax thereon shall only be recognised as a liability in the books of account in the year in which the dividends are declared on approval by members. The total estimated dividend on equity shares to be paid is ₹2,663.08 lakhs.

20.4 Reserve Fund u/s 29C of NHB Act, 1987:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Statutory Reserve (As per section 29C of the National Housing Bank Act, 1987)		
Opening Balance	**32,023.55**	**24,535.29**
Additions during the year	9,120.62	7,488.26
Appropriations during the year	–	–
Closing Balance	**41,144.17**	**32,023.55**

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	32,023.55	24,535.29
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purposes of Statutory Reserve u/s 29C of the NHB Act, 1987 (excluding tax effect)	65,843.00	54,160.45
Total	**97,866.55**	**78,695.74**
Addition/ Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	9,120.62	7,488.26
b) Amount of special reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987.	12,054.62	11,682.55
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	–	–
b) Amount withdrawn from the Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 which has been taken into account for the purpose of provision u/s 29C of the NHB Act, 1987.	–	–
Balance at the end of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	41,144.17	32,023.55
b) Amount of Special Reserve u/s 36(1)(viii) of Income Tax Act, 1961 taken into Account for the purpose of Statutory Reserve u/s 29C of the NHB Act, 1987.	77,897.62	65,843.00
Total	**1,19,041.79**	**97,866.55**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 21 Interest Income

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021			Year ended March 31, 2020		
		On Financial assets measured			On Financial assets measured		
		At FVTOCI	At Amortised Cost	At FVTPL	At FVTOCI	At Amortised Cost	At FVTPL
(i)	Interest on Loans	–	2,00,144.86	–	–	2,01,536.57	–
(ii)	Interest income from investments	–	188.53	–	–	138.53	–
(iii)	Interest on deposits with Banks	–	281.90	–	–	193.41	–
(iv)	Other Interest income	–	21.42	–	–	22.08	
	Total	**–**	**2,00,636.71**	**–**	**–**	**2,01,890.59**	**–**

Note 22 Fee and Commission Income

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Processing and other fee	961.95	948.09
(ii)	Insurance commission income	215.32	202.63
	Total	**1,177.27**	**1,150.72**

Note 23 Other Income

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Profit on sale of property plant and equipment	–	–
(ii)	Provision no longer required written back	–	–
(iii)	Dividend Income from Investment in Mutual funds	–	–
(iv)	Bad debts recovered	29.13	3.77
	Total	**29.13**	**3.77**

Note 24 Finance Costs

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Financial Instruments recognised at Amortised cost:		
(i)	Interest on deposits	2,327.04	2,344.03
(ii)	Interest on borrowings	93,203.85	91,330.41
(iii)	Interest on debt securities	23,809.12	39,272.65
(iv)	Interest on Subordinated liabilities	894.00	894.00
(v)	Interest on lease liability	296.48	314.40
(vi)	Other charges	302.16	265.49
	Total	**1,20,832.66**	**1,34,420.98**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 25 Fees and Commission Expense

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Direct Selling Agents' Commission	1,142.79	1,174.18
(ii)	CIBIL and other Fee	56.26	57.27
	Total	**1,199.05**	**1,231.46**

Note 26 Impairment of Financial Instruments

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Loans*	6,853.17	6,031.57
	Total	**6,853.17**	**6,031.57**

* Includes Special provision for RBI regulatory package.

Note 27 Employee Benefits Expenses

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Salaries and wages	6,099.70	4,844.76
(ii)	Contribution to provident and other funds (refer note 37)	556.97	506.56
(iii)	Staff welfare expenses	303.88	286.54
(iv)	Others	37.86	18.65
	Total	**6,998.42**	**5,656.50**

Note 28 Depreciation Expense

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
	Depreciation on property, plant and equipment and right of use assets (refer Note 9)	957.27	947.13
	Total	**957.27**	**947.13**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 29 Other Expenses

(₹ in Lakhs)

Sl. No.	Particulars	Year ended March 31, 2021	Year ended March 31, 2020
(i)	Rent, taxes and energy costs	223.35	239.56
(ii)	Repairs and maintenance	123.49	106.13
(iii)	Communication costs	282.31	121.36
(iv)	Printing and stationery	36.47	48.38
(v)	Advertisement and publicity	167.14	113.53
(vi)	Director's sitting fees	28.20	20.00
(vii)	Auditor's fees and expenses (refer Note 29.1 below)	58.26	70.69
(viii)	Legal and professional charges (refer Note 29.2 below)	473.00	449.86
(ix)	Corporate Social Responsibility Expenses (refer Note 46)	1,107.58	1,004.02
(x)	Insurance charges	93.46	89.99
(xi)	Travelling and conveyance	193.50	268.83
(xii)	Bank charges	77.86	67.86
(xiii)	General expenses	72.98	36.12
(xiv)	Rates and tax	193.22	137.28
(xv)	Loss on sale of property plant equipment	5.94	1.85
(xvi)	Miscellaneous expenses	107.75	153.33
	Total	**3,244.52**	**2,928.79**

29.1 Auditor's remuneration (net of GST)

(₹ in Lakhs)

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Audit Fees (Including Statutory Branch Auditors fees and Tax audit)	50.27	58.63
Tax Matters	–	0.4
Other Services (Certification etc.,)	4.99	3.35
Out of Pocket Expenses	3.00	8.31
Total	**58.26**	**70.69**

29.2 The Company has entered into lease cum licence agreement with M/S ThemePro Technologies Pvt Ltd., for implementation of Integrated Business Suit (IBS) software. The expenditure incurred in this regard amounting to ₹ 297.24 lakhs (Previous Year ₹198.38 lakhs) is charged to the P & L account under Legal and Professional charges.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 30 Financial Instruments: Financial Assets (at amortised cost)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Cash and Cash Equivalents	2,154.54	39,243.99
(ii) Trade Receivables	70.80	25.55
(iii) Loans		
Term Loans	22,04,509.55	20,64,407.00
Less: Impairment Loss Allowance [refer Note 40(i)]	15,361.32	11,837.75
Sub Total	**21,89,148.23**	**20,52,569.25**
(iv) Investments	4,960.39	2,430.50
(v) Other Financial Assets	369.66	302.63
Total	**21,96,703.63**	**20,94,571.92**

Note 31 Financial Instruments: Financial Liabilities (at amortised cost)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) Trade Payables	432.58	423.95
(ii) Debt Securities	4,89,130.24	3,80,955.13
(iii) Borrowings	13,85,621.47	14,53,089.75
(iv) Deposits	44,247.15	30,508.05
(v) Subordinated liabilities	10,291.47	10,291.47
(vi) Other Financial Liabilities	5,078.10	5,871.82
Total	**19,34,801.02**	**18,81,140.16**

Note 32 Provisions

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Provision for Expected Credit Loss (refer Note 5.4 & 32.1)	15,361.32	11,837.75
Provision for Employee Benefits (refer Note 32.2 below)	3,001.52	1,761.96
Provision for contingencies (taxes) (refer Note 32.3 below)	197.88	1,050.97
Special Provisioning on RBI regulatory package (refer Note 46)	6,984.05	3,654.45
Total Provisions	**18,560.71**	**14,650.68**

The disclosure of provisons movement as required under IND AS 37- Provision, Contingent Liabilities and Contingent Assets is as follows.

32.1 Provision for Expected Credit Loss [refer note 5.4 and note 5.5(iv)]

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	11,837.75	9,919.61
Provisions made during the year	3,899.68	2,377.12
Utilisations during the year	–	–
Released during the year	376.11	458.98
Provision at the end of the year	**15,361.32**	**11,837.75**

Notes forming part of Financial Statements

for the year ended March 31, 2021

32.2 Provision for Employee Benefits

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	1,761.96	1,608.45
Provisions made during the year	1,055.53	709.38
Utilisations during the year	184.02	(555.87)
Released during the year	–	–
Provision at the end of the year	**3,001.52**	**1,761.96**

32.3 Provision for Contingencies (taxes)

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Balance at the beginning of the year	1,050.97	900.97
Provisions made during the year	–	150.00
Utilisations during the year	853.09	–
Released during the year	–	–
Provision at the end of the year	**197.88**	**1,050.97**

Note 33 Income Tax

33.1 Income Tax Expense in statement of profit and loss

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Current income tax:		
In respect of the current year	17,163.72	14,556.71
In respect of earlier years	143.50	461.81
Deferred tax:		
In respect of the current year	(1,155.23)	(802.22)
Income tax expense recognised in the statement of profit or loss	**16,151.99**	**14,216.31**
Income tax recognised in other comprehensive income		
(i) Current tax arising on income and expense recognised in other comprehensive income	–	–
Net loss / (gain) on remeasurement of defined benefit plan	–	–
(ii) Deferred tax arising on income and expense recognised in other comprehensive income	0.99	57.52
Total	**0.99**	**57.52**

Notes forming part of Financial Statements

for the year ended March 31, 2021

33.2 Reconciliation between provision of Income Tax of the company and amounts computed by applying the Indian Statutory Income tax rate to profit before taxes :

(₹ in Lakhs)

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
Profit Before Tax	61,758.02	51,828.65
Enacted Income Tax Rate in India (%)	25.17	25.17
Computed Tax Expense	15,543.26	13,044.24
Effect of :		
Income tax pertaining to earlier years	143.50	461.81
Allowances/exemptions under income tax	(52.37)	(92.24)
Non-deductible expenses for tax purposes	412.23	300.98
Due to change in tax rate	–	671.64
Others	105.37	(170.12)
Income tax expense recognised in the statement of profit and loss	**16,151.99**	**14,216.31**

The tax rates under Indian Income Tax Act, for the year ended March 31, 2021 and March 31, 2020 is 25.168%.

Note 34: Deferred Tax assets/(liabilities) as at March 31, 2021 in relation to :

(₹ in Lakhs)

Particulars	As at April 1, 2020	Recognised in profit and loss	Recognised in OCI	As at March 31, 2021
Property,plant and Equipment	118.02	26.40	–	144.42
Expected Credit Loss	193.23	192.74	–	385.97
Provision for employee benefits	393.75	202.82	0.99	596.57
Financial assets carried at amortised cost	1,764.50	(103.74)	–	1,660.75
Special Provision RBI regulatory package	919.75	837.99	–	1,757.75
Total	**3,389.25**	**1,156.22**	**0.99**	**4,545.46**

Deferred Tax assets/(liabilities) as at March 31 ,2020 in relation to :

(₹ in Lakhs)

Particulars	As at April 1, 2019	Recognised in profit and loss	Recognised in OCI	As at March 31, 2020
Property,plant and Equipment	(58.70)	176.72	–	118.02
Expected Credit Loss	407.26	(214.03)	–	193.23
Provision for employee benefits	298.54	37.68	57.52	393.75
Financial assets carried at amortised cost	1,753.67	10.83	–	1,764.50
Ind AS 116 Transition effect	128.74	(128.74)	–	–
Special Provision RBI regulatory package	–	919.75	–	919.75
Total	**2,529.51**	**802.22**	**57.52**	**3,389.25**

The company has not created deferred tax assets on the following :

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
NIL		

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 35:

During the financial year ended 31st March 2021 the Company has not created DTL on special reserve due to differences in treatment of deferred tax on special reserves between Non-Banking Financial Company –Housing Finance Company (Reserve Bank) Directions, 2021 and Ind AS 12 "Income Taxes".

Note 36: Contingent Liabilities and commitments (to the extent not provided for)

(i) Contingent Liabilities (to the extent not provided for)

(₹ in Lakhs)

Nature of claims	Risk involved	As at March 31, 2021	As at March 31, 2020
Income Taxes	The Company has filed an appeal before to CIT (Appeals) during the current year against the demand notice (for AY 2017–18) from the department of ₹ 36.94 lakhs.	–	36.94
Claims made by borrowers of the company before various Consumer Forums.	There are 3 cases pending before State Consumer redressal Forum and High Court where compensation is sought against the Company.	8.46	18.51
Based on the professional advice no material liabilities are expected, and hence no provision is made in the financial statements for the same.			
(ii) Commitments (not provided for)			
Value of contracts remaining to be executed on capital account		–	4.81
Disbursements – Undrawn lines		117,410.21	94,765.93

Note 37 Employee Benefit Expenses

Defined Benefit Plans:

1. Gratuity is an Employee Benefit payable on retirement / superannuation / resignation on completion of 5 years of service.
2. Privilege Leave is an employee benefit wherein confirmed Officer/Employee is entitled to 30 days of PL every year, which can be accumulated upto a maximum of 240 days.
3. Provident Fund is a statutory employee benefit wherein contributions are made by the employee and employer in prescribed proportion.
4. Sick Leave is a Benefit, which an Officer/Employee is entitled to 15 days in a year, which can be accumulated upto a maximum of 270 days.
5. Leave Fare Concession is an employee benefit wherein all confirmed Employees/Officers are entitled once in two years.

I. Reconciliation of present value of Projected Benefit Obligation:

(₹ in Lakhs)

Particulars	Gratuity		Exempt PF	
	For the year ended		For the year ended	
	March 31 2021	March 31 2020	March 31 2021	March 31 2020
Present value of Projected Benefit obligation	1,819.24	1,465.87	4,949.47	4,204.13
Current Service Cost	139.95	105.43	822.68	749.93
Past Service Cost	–	–	–	
Net interest on net defined liability/ (asset)	116.52	109.90	441.60	385.07
Benefits paid and charges deducted	(139.40)	(47.14)	420.24	(389.66)
Re-measurement – actuarial (gain)/ loss recognised	6.23	185.18	(686.05)	–
Net Present value of Projected Benefit obligation	**1,942.54**	**1,819.24**	**5,947.94**	**4,949.47**

Notes forming part of Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Long Term Compensated Absence		Sick Leave	
	For the year ended		For the year ended	
	March 31 2021	March 31 2020	March 31 2021	March 31 2020
Present value of Projected Benefit obligation	1,317.39	967.99	107.44	92.96
Current Service Cost	76.65	51.58	14.97	12.26
Past Service Cost	–	–		
Net interest on net defined liability/ (asset)	84.51	69.22	7.16	7.09
Benefits paid and charges deducted	(96.82)	(119.07)	–	
Re-measurement – actuarial (gain)/ loss recognised	147.01	347.67	(10.86)	(4.87)
Net Present value of Projected Benefit obligation	**1,528.74**	**1,317.39**	**118.71**	**107.44**

II Expenses recognised in the statement of Profit and Loss account under the head "Employee Benefits Expenses" for the year ended March 31,2021

(₹ in Lakhs)

Particulars	Gratuity		Exempt PF	
	As at March 31 2021	As at March 31 2020	As at March 31 2021	As at March 31 2020
Current Service Cost	139.95	105.43	822.68	749.92
Past Service Cost	–	–	–	–
Interest Cost	116.52	(9.77)	441.60	385.07
Benefits Settled	–	–	–	–
Obligations at end of the year	**256.47**	**95.66**	**1,264.28**	**1,134.99**

(₹ in Lakhs)

Particulars	Sick Leave		Long Term Compensated Absence	
	As at March 31 2021	As at March 31 2020	As at March 31 2021	As at March 31 2020
Current Service Cost	14.97	12.26	76.65	51.59
Past Service Cost				
Interest Cost	7.16	7.08	84.51	69.22
Benefits Settled				
Obligations at end of the year	**22.12**	**19.34**	**161.16**	**120.81**

III. Reconciliation of Opening balances and Closing balances of Plan Assets

(₹ in Lakhs)

Particulars	Gratuity		Exempt PF	
	As at March 31 2021	As at March 31 2020	As at March 31 2021	As at March 31 2020
Plan assets at the beginning of the year, at fair value	1,896.93	1,320.47	4,848.42	4,108.23
Re-measurement – actuarial gain/ (loss)	2.31	(43.38)	(793.04)	(697.66)
Expected return on plan assets	130.03	119.67	365.84	298.26
Contributions from Employees	250.40	547.31	822.68	749.93
Benefits Settled	(139.40)	(47.14)	420.24	389.66
Plan assets at the end of the year at fair value	**2,140.27**	**1,896.93**	**5,664.14**	**4,848.42**

Notes forming part of Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	Sick Leave		Long Term Compensated Absence	
	As at March 31 2021	As at March 31 2020	As at March 31 2021	As at March 31 2020
Plan assets at the beginning of the year, at fair value	–	–	–	–
Interest income on plan assets	–			
Re-measurement – actuarial gain/ (loss)	–	–	–	–
Return on plan assets greater/ (lesser) than discount rate	–	–	–	–
Contributions from Employees	–	–	96.82	119.08
Benefits Settled	**–**	**–**	**(96.82)**	**(119.08)**
Plan assets at the end of the year at fair value	**–**	**–**	**–**	**–**

IV Amount recognised in Other Comprehensive income (OCI)

(₹ in Lakhs)

Description	Gratuity For the year ended	
	March 31 2021	March 31 2020
Actuarial (gain)/loss	6.23	185.18
Return or loss on plan asset	(2.31)	43.37
Net amount recognised in OCI	**3.92**	**228.55**

Acturial Assumptions

(₹ in Lakhs)

Description	As at March 31, 2021	As at March 31, 2020
Discount rate per annum	6.96%	6.66%
Expected rate of return on Plan Assets	Gratuity-6.96% Exempted PF-6.96%	Gratuity-6.66% Exempted PF-6.66%
The estimates of future salary increases considered in actuarial valuation, take into account escalation, inflation, seniority, Promotion and other relevant factors	7.00%	7.00%

Investment pattern (in %)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Gratuity – Funded		
Funds managed by Insurer	100%	100%
Total	**100%**	**100%**
Exempt PF- Funded		
Government of India Securities	4.93%	6.70%
State Government Securities	51.18%	46.11%
High Quality Corporate Bonds	31.95%	36.61%
Special Deposits Scheme	1.74%	2.06%
Mutual Funds	6.77%	6.47%
Bank Deposits	3.43%	2.05%
Total	**100%**	**100%**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Amounts recognised in Balance Sheet

Gratuity

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	(1,942.55)	(1,819.24)
Fair value of plan assets	2,140.26	1,896.93
Asset/ (liability) recognized	**197.72**	**77.69**

Exempt PF

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	(5,947.94)	(4,949.46)
Fair value of plan assets	5,664.13	4,848.41
Asset/ (liability) recognized	**(283.81)**	**(101.05)**

Sick Leave

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	(118.70)	(107.43)
Fair value of plan assets	–	–
Asset/ (liability) recognized	**(118.70)**	**(107.43)**

Long Term Compensated Absence

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Present value of defined benefit obligation	(1,528.74)	(1,317.39)
Fair value of plan assets	–	–
Asset/ (liability) recognized	**(1,528.74)**	**(1,317.39)**

Maturity profile of defined benefit obligation

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Average duration of the define benefit obligation (in years):		
- Gratuity	9.3	10.1
- Long Term Compensated Absence	10.9	11.9

Sensitivity Analysis

The sensitivity analysis presented below may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of reporting year, which is same as that applied in calculating the defined benefit obligation liability recognized in the balance sheet

Notes forming part of Financial Statements

for the year ended March 31, 2021

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Gratuity

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Basis points	50 bps	50 bps	50 bps	50 bps
-Discount rate				
Impact on Defined benefit obligation	1,862.90	2,028.76	1,738.08	1,907.37
Impact on Current Service cost	146.18	170.37	128.52	152.83
-Salary Growth				
Impact on Defined benefit obligation	1,995.84	1,889.48	1,873.14	1,765.50
Impact on Current Service cost	165.62	150.22	147.33	132.65

Long Term Compensated Absence

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Basis points	50 bps	50 bps	50 bps	50 bps
-Discount rate				
Impact on Defined benefit obligation	1,456.16	1,608.03	1,248.65	1,392.89
Impact on Current Service cost	82.34	92.97	71.70	82.16
-Salary Growth				
Impact on Defined benefit obligation	1,607.61	1,455.86	1,392.27	1,248.55
Impact on Current Service cost	92.94	82.32	82.11	71.69

Sick Leave

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Basis points	50 bps	50 bps	50 bps	50 bps
-Discount rate				
Impact on Defined benefit obligation	115.17	122.48	104.16	(110.95)
Impact on Current Service cost	16.88	18.29	14.35	(15.63)
-Salary Growth				
Impact on Defined benefit obligation	122.46	115.16	110.92	(104.15)
Impact on Current Service cost	18.28	16.87	15.62	(14.35)

Notes forming part of Financial Statements

for the year ended March 31, 2021

Maturity profile of defined benefit obligation:

(₹ in Lakhs)

Particulars	Gratuity		Long Term Compensated Absence	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Year 1	98.86	113.05	48.03	46.77
Year 2	208.37	104.83	97.94	43.12
Year 3	214.77	147.57	100.03	64.31
Year 4	215.19	189.22	105.61	81.57
Year 5	268.08	209.31	122.42	94.85
Next 5 years	872.10	923.36	468.95	424.11

Note: Maturity profile of defined benefit obligation is not applicable to Sick Leave and Exempted PF.

Note 38 Reconciliation of number of equity shares used in the computation of basic and diluted earnings per share

(₹ in Lakhs)

Particulars	For the year ended			
	March 31, 2021		March 31, 2020	
	Basic EPS	Diluted EPS	Basic EPS	Diluted EPS
Weighted average number of equity shares outstanding during the year (Number In Lakhs)	1,331.54	1,331.54	1,331.54	1,331.54
Equity shares issued during the year (Number In Lakhs)	–	–		
Weighted average number of equity shares for calculation of earnings per share (Number In Lakhs)	1,331.54	1,331.54	1,331.54	1,331.54
Profit for the year, as per Profit & Loss Statement (excluding Other Comprehensive income)	45,606.03	45,606.03	37,612.35	37,612.35
Earning per share [Basic EPS/Dilutive EPS] (In ₹)	34.25	34.25	28.25	28.25

Note 39 Components of Other Comprehensive Income

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
(a) Items that will not be reclassified to profit and loss:		
(i) Actuarial (Gain)/ loss	(3.92)	(228.55)
(ii) Income Tax relating to items that will not be reclassified to profit and loss	0.99	57.52
Total	**(2.94)**	**(171.03)**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 40 Financial Risk Management

i) Credit Risk

It is defined as the inability or unwillingness of the counterparty to meet the commitment in relation to lending, trading, hedging, settlement and other financial transactions. Also it is defined as the possibility of losses associated with diminution in the credit quality of borrowers or counter parties. The Credit policy articulates credit risk strategy to effectively communicate it throughout the company and all relevant personnel to understand company's approach to grant of credit. The Policy covers products/borrower category, frame work for appraisal process, guidelines for takeover of accounts, entry level matrix (credit scoring system) and flexibility in pricing, dispensation of credit, monitoring and review mechanism, limit structure/prudential exposure levels, reporting frame work. The Company has put in place a proper Loan Review Mechanism with responsibilities assigned in various areas such as, evaluating the effectiveness of loan administration, maintaining the integrity of credit grading process, assessing the loan loss provision, portfolio quality, etc. Credit grading involves assessment of credit quality, identification of problem loans, and assignment of risk ratings. Monitoring is being done through guidelines to branches; follow up by overseeing executives and other regular follow up.

Analysis of stages of loans and provision of expected credit loss is as follows [Refer Note 2 (i) for "Significant Accounting Policies"].

Particulars	As at March 31, 2021				As at March 31, 2020			
	Stage 1	Stage 2	Stage 3	Total	Stage 1	Stage 2	Stage 3	Total
Gross carrying amount of loans (A)	20,71,892.30	1,18,400.61	20,191.36	22,10,484.27	19,08,674.69	1,23,369.20	36,807.88	20,68,851.77
Provision as per ECL Model (B)	1,612.32	1,753.34	3,375.85	6,741.50	803.56	925.34	5,846.71	7,575.61
Provision for Standard and NPA Assets* (C) [Refer Note 5.4]	7,365.72	471.60	6,758.21	14,595.54	6,961.92	345.32	4,530.79	11,838.03
% of Provision held (D)= (C)/(A)	0.36%	0.40%	33.47%	0.66%	0.36%	0.28%	12.31%	0.57%
Net Carrying Amount of Loans (E) = (A)-(C)	**20,64,526.58**	**1,17,929.01**	**13,433.15**	**21,95,888.74**	**19,01,712.77**	**1,23,023.88**	**32,277.09**	**20,57,013.74**

* As per IRAC norms of NHB.

1. The provision estimated as per ECL model on an aggregate basis is lower than the overall provision required under IRAC norms of the NHB. The Management on a conservative approach has decided to maintain the higher provision.

2. As at balance sheet date, the Company does not have significant concentration of credit risk (Refer Note 45.10(ii)).

ii) Financial Risk

The market risk is the possibility of loss to the Company prices of security due to changes in the market factors, mainly the changes in interest rates, and competition. It is the risk to the Company's earnings and capital due to the changes in the market interest rates. Market Risk also includes company's ability to meet its obligations as and when due. The limited avenues at the disposal of the Company for raising low cost/cost effective resources and our operating on thin spreads make market risk management all the more significant. The Company has an Investment Policy/ Borrowing Policy in place which addresses the Market Risk which defines safety and liquidity will have preference over returns. Our majority of investment is by way of Bank Deposits and Govt. securities for the purpose of maintenance of SLR as prescribed by NHB. All these deposits are held to maturity. There is an ALM Committee of Executives at RO (ALCO), which functions as the operational unit for managing the balance sheet and asset liability mismatches. All the borrowing decisions and raising short term funds in the form of Non Convertible Debentures, Commercial Papers, Securitization and such other modes, are taken at appropriate level as per the Board approved policy on borrowings. Refer Note 5.7 for Asset Liability Management.

Notes forming part of Financial Statements

for the year ended March 31, 2021

The table below provides details regarding the contractual maturities of significant financial liabilities as at March 31, 2021, March 31, 2020.

(₹ in Lakhs)

Particulars	As at March 31, 2021			Total
	< 1 year	1-3 years	> 3 Years	
Borrowings from Banks	3,67,129.67	2,93,400.42	3,29,717.14	9,90,247.23
Borrowings from NHB	1,06,074.30	1,11,393.06	1,78,026.72	3,95,494.08
Deposits	22,170.23	15,755.86	6,321.06	44,247.15
Debentures and Commercial Papers (face value)	3,82,200.00	60,000.00	52,500.00	4,94,700.00
Subordinated Liabilities (face value)	-	-	10,000.00	10,000.00
Others (excluding lease liability)	1,461.06	-	-	1,461.06

(₹ in Lakhs)

Particulars	As at March 31, 2020			Total
	< 1 year	1-3 years	> 3 Years	
Borrowings from Banks	2,67,742.74	2,51,697.72	5,86,952.32	1,106,392.78
Borrowings from NHB	49,841.86	98,745.13	1,96,101.27	344,688.26
Deposits	21,101.03	7,619.67	1,787.35	30,508.05
Debentures and Commercial Papers (face value)	2,17,500.00	1,32,200.00	25,000.00	374,700.00
Subordinated Liabilities (face value)	-	-	10,000.00	10,000.00
Others (excluding lease liability)	2,294.97	-	-	2,294.97

iii) Liquidity Risk

Probability of loss arising from a situation where (1) there will not be enough cash and/or cash equivalents to meet the needs of depositors and borrowers, (2) sale of illiquid assets will yield less than their fair value, or (3) illiquid assets will not be sold at the desired time due to lack of buyers. ALM Policy is in place which has set prudential limits for structural liquidity and interest rate risk. The ALCO committee of the Company analyzes the ALM position of the Company as at the end of each quarter and appraises the Board the ALM position of the respective quarters along with the proposed measure to improve the ALM position.

iv) Interest rate risk

Earnings risk is the danger that income may fluctuate due to changes in economic conditions or other factors. It is also the potential negative impact on the net interest income. The risk refers to vulnerability to movement in interest rates. Changes in interest rates effects earning, value of asset and cash flow. Asset Liability Management Committee (ALCO) meets at periodical intervals and assesses the earning risk and gives proper directions to the management to improve the NIM. Company shall monitor the income earned by way of interest and other income at quarterly intervals and place suitable notes to Board while placing notes on quarterly/half yearly/annual financial results of the Company. The limited avenues at the disposal of the Company for raising low cost/cost effective resources and our operating on thin spreads make market risk management all the more significant. The credit rating of our borrowings also have a significant impact on our net interest margin. Refer Note 43.4 for credit rating details.

(₹ in Lakhs)

Sensitivity Analysis on Net Interest:	2020-21		2019-20	
Particulars	Increase by 25bps	Decrease by 25bps	Increase by 25bps	Decrease by 25bps
Impact on profit before tax- Gain/ (Loss)	5,302.15	(5,302.15)	4,844.98	(4,844.98)

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 41: Capital Management

The Company's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Company monitors the return on capital as well as the level of dividends on its equity shares. The Company's objective when managing capital is to maintain an optimal structure so as to maximize shareholder value.

The Company monitors the capital structure on the basis of total debt to equity ratio and maturity profile of the overall debt portfolio of the Company.

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Capital	21,90,271.11	20,89,851.24
Total Equity attributable to the Equity Shareholders of the Company	2,60,980.77	2,15,006.85
As percentage of Total Capital	11.92%	10.29%
Total Borrowings (including deposits and debt securities)	19,29,290.33	18,74,844.39
As percentage of Total Capital	88.08%	89.71%
Total Capital (Equity and Borrowings)	**21,90,271.11**	**20,89,851.24**

Note 42

Schedule to the Balance Sheet Annex III as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021:

(₹ in Lakhs)

Particulars Liabilities side	Amount outstanding	Amount overdue
(1) Loans and advances availed by the HFC inclusive of interest accrued thereon but not paid:	–	–
(a) Debentures : Secured	129,751.24	–
: Unsecured	10,291.47	–
(other than falling within the meaning of public deposits*)	–	–
(b) Deferred Credits	–	–
(c) Term Loans	1,168,079.30	–
(d) Inter-corporate loans and borrowing	–	–
(e) Commercial Paper	359,379.00	–
(f) Public Deposits*	45,424.72	1,177.56
(g) Other Loans (specify nature): Loans repayable on demand	217,542.17	–
* Please see Note 1 below		
(2) Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	–	–
(a) In the form of Unsecured debentures	–	
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	–	
(c) Other public deposits	45,424.72	1,177.56
* Please see Note 1 below		

Notes forming part of Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Assets side			Amount outstanding
(3)	**Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:**		–
	(a)	Secured	22,04,352.93
	(b)	Unsecured	–
(4)	**Break up of Leased Assets and stock on hire and other assets counting towards asset financing activities:**		–
	(i)	Lease assets including lease rentals under sundry debtors	–
		(a) Financial lease	–
		(b) Operating lease	–
	(ii)	Stock on hire including hire charges under sundry debtors	
		(a) Assets on hire	–
		(b) Repossessed Assets	–
	(iii)	Other loans counting towards asset financing activities	
		(a) Loans where assets have been repossessed	–
		(b) Loans other than (a) above	–
(5)	**Break-up of Investments**		–
	Current Investments		
	1.	Quoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–
	2.	Unquoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–
	Long Term investments		
	1.	Quoted	
		(i) Share	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	4,960.39
		(v) Others (please specify)	–
	2.	Unquoted	
		(i) Shares	
		(a) Equity	–
		(b) Preference	–
		(ii) Debentures and Bonds	–
		(iii) Units of mutual funds	–
		(iv) Government Securities	–
		(v) Others (please specify)	–

Notes forming part of Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

	Category	Amount net of provisions		
		Secured	Unsecured	Total
(6)	**Borrower group-wise classification of assets financed as in (3) and (4) above:- (Please see Note 2 below)**			
	1. Related Parties **			
	(a) Subsidiaries	–	–	–
	(b) Companies in the same group	–	–	–
	(c) Other related parties	–	–	–
	2. Other than related parties	22,04,352.93	–	22,04,352.93
	Total	**22,04,352.93**	**–**	**22,04,352.93**

(₹ in Lakhs)

	Category	Amount net of provisions	
		Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
(7)	**Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :** (Please see Note 3 below)		
	1. Related Parties **		
	(a) Subsidiaries	–	–
	(b) Companies in the same group	–	–
	(c) Other related parties	–	–
	2. Other than related parties	5,086.86	4,960.39
	Total	**–**	**–**
	** As per notified Accounting Standard (Please see Note 3)		
(8)	**Other information**		
	Particulars		**Amount**
	(i) Gross Non-Performing Assets		
	(a) Related parties	–	
	(b) Other than related parties		20,191.36
	(ii) Net Non-Performing Assets		
	(a) Related parties		
	(b) Other than related parties		13,433.15
	(iii) Assets acquired in satisfaction of debt		

Notes:

1. As defined in Paragraph 4.1.30 of these Directions.

2. Provisioning norms shall be applicable as prescribed in these Directions.

3. All notified Accounting Standards are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments shall be disclosed irrespective of whether they are classified as long term or current in (5) above.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 43

A. Related Party

Name of Related Party	Nature of Relationship
Canara Bank	Sponsor Bank
1. Canbank Factors Ltd.	Subsidiaries of Canara Bank
2. Canbank Computer Services Ltd	
3. Canbank Financial Services Ltd.	
4. Canbank Venture Capital Fund	
5. Canara Bank Securities Ltd	
6. Can Fin Homes Limited Employees Provident Fund	Employees PF Trust
7. Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.	Joint Venture with Canara Bank
8. Canara Robeco Asset Management Company Ltd.	
Key Managerial Personnel:	
1. Girish Kousgi	Managing Director
2. Shreekant M Bhandiwad	Whole Time Director
3. Shamila Mangalore	General Manager
4. Veena G Kamath	Company Secretary
5. Prashanth Joishy	Chief Financial Officer

B. Transactions with the above Related Party during the year

(₹ in Lakhs)

Name of Related Party	Nature of Transaction	For the period 2020–21	For the period 2019–20
Girish Kousgi	Remuneration	125.67	57.22
Shreekant M Bhandiwad	Remuneration	3.01	–
Shamila Mangalore	Remuneration	24.96	18.25
Shamila Mangalore	Staff advance given	1.40	–
Veena G Kamath	Remuneration	17.61	15.11
Prashanth Joishy	Remuneration	18.03	7.05
Atanu Bagchi (till 31/05/2019)	Remuneration	–	4.98
Canara Bank	Term Loans & other credit facilities outstanding at the year end	227,094.92	276,630.05
	Interest paid for the year	19,281.42	20,957.05
	Deposits matured during the year	1,838.94	1,708.06
	Deposits made with Bank (including renewals)	1,889.67	1,838.94
	Interest earned for the year	159.55	169.27
	Rent and maintenance expense paid for the year	76.33	72.15
	Bank charges for the year	77.11	67.54
	Sitting Fees to Directors	6.25	3.65
	Salary & other benefits of Managing Director (till 26/06/2019 for the previous year) and Whole Time Director	33.36	30.69
	Dividend Paid	798.61	798.61
	Processing Fee	236.00	–
	Cash and cash equivalents and other bank balances	186.19	175.51
Canbank Computer Services Ltd	Registrar & Transfer Agency charges for the year	10.48	12.68
Canara Bank- (Employee Pension Fund, Provident Fund & Gratuity Fund)	Borrowings by way of SRNCD	–	6,000.00
	Interest paid on SRNCD	228.09	459.10
Can Fin Homes Limited Employees Provident Fund	Reimbursement of expenses	23.32	–
Canara Robeco Asset Management Company Ltd.	Interest paid on SRNCD	–	21.58
Canara HSBC OBC Insurance Co. Ltd	Borrowings by way of SRNCD	500.00	500.00
	Interest paid on SRNCD	39.45	39.45
	Commission earned for the year	121.50	116.08
Total		**252,636.84**	**309,627.55**

Notes forming part of Financial Statements

for the year ended March 31, 2021

C. Balances Payable to/Receivable from Related Parties are as follows

(₹ in Lakhs)

Name of Related Party	Payable/ Receivable	Nature of Balances	As at March 31,2021	As at March 31,2020
Canara Bank	Payable	Term Loan and Credit Facilities	2,27,094.92	2,76,630.05
Canara HSBC OBC Insurance Co. Ltd	Receivable	Trade receivable	34.19	13.50

D. Balances Receivable from Related Parties are as follows

(₹ in Lakhs)

Name of Related Party	Nature of Balances	As at March 31,2021	As at March 31,2020
Canara Bank	Fixed Deposits	1,889.67	1,708.06
Shamila Mangalore – Manager	Employee Loans & Advances	1.75	0.43
Veena G Kamath – Company Secretary	Employee Advances	–	0.21
Prashanth Joishy – CFO	Employee Loans	27.03	29.12

E. Compensation to Key Managerial Personnel

(₹ in Lakhs)

Particulars	For the year Ended	
	As at March 31, 2021	As at March 31, 2020
Short term employee benefit	219.63	133.30
Post-employment benefits*	–	–
Total Compensation paid to Key Managerial Personnel	**219.63**	**133.30**

* The post employment benefits namely provision for gratuity and compensated absences cannot be determined employee wise since the provision is based on the actuarial valuation of the company as a whole.

F. Group Structure

Diagrammatic representation of group structure as follows:

Canara Bank (Sponsor Bank) → Can Fin Homes Limited (Associate company)

Note 44: Ind AS 116-Leases

a) Impact on transition to Ind AS 116

During the previous year, the Company has adopted Ind AS 116 "Leases", with effect from April 1, 2019 and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings as per the guidelines provided in Paragraph C7 and Paragraph C8 c(i) of Ind AS 116, on the date of initial application.Accordingly, comparatives for the year ended March 31, 2019 has not been retrospectively adjusted.

On transition to Ind AS 116, the Company recognised Right-of- use assets and lease liabilities, after difference being set off against existing rent eqalisation reserve as on 1st April, 2019. The cumulative effect of applying the standard, amounting to ₹ 382.80 lakhs was debited to retained earnings, net of taxes.

Notes forming part of Financial Statements

for the year ended March 31, 2021

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Right-of-use assets – Property Plant and Equipment	–	3,212.28
Deferred tax asset	–	128.74
Lease liabilities	–	4,005.24
Rent equalisation adjusted against lease liablities	–	281.42
Retained earnings (Reduced by)	**–**	**(382.80)**

The Company leases office premises facilities. The leases typically run for a period of 1 to 10 years, with an option to renew the lease after that date. For certain leases, the Company is restricted from entering into any sub-lease arrangements. Information about leases for which the Company is a lessee is presented below.

b. Right-of-use assets- Buildings

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Opening Balance	2,763.43	3,212.28
Additions to right of use asset	790.21	170.72
Depreciation charge for the year	510.13	619.57
Derecognition of right of use assets	185.90	–
Closing Balance	**2,857.61**	**2,763.43**

c. Maturity analysis of lease liabilities (undiscounted)

(₹ in Lakhs)

Particulars	March 31, 2021	March 31, 2020
Upto one year	838.84	927.93
From one to 5 years	2,400.82	2,707.44
More than 5 Years	771.11	940.26

a) Interest on lease liabilities is ₹ 296.48 Lakhs (Previous Year ₹ 314.40 Lakhs) for the year ended on March 31, 2021.

b) The Company incurred ₹ 26.68 Lakhs (Previous Year ₹ 8.46 lakhs) for the year ended 31 March 2021 towards expenses relating to short term leases. The Company does not have any low value leases.

c) The total cash outflow for leases is ₹ 921.88 Lakhs (Previous Year ₹ 913.51 Lakhs) for the year ended March 31, 2021.

d) The Company has applied the practical expedient to all rent concessions that meet the conditions in paragraph 46B.

e) Profit recognised for the reporting period of ₹ 21.77 lakhs to reflect changes in lease payments that arise from rent concessions to which the lessee has applied the practical expedient in paragraph 46A.

Note 45 : Annex IV Disclosures required as per Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021.

45.1 Capital to Risk Assets Ratio (CRAR)

Particulars	As at March 31, 2021	As at March 31, 2020
i) CRAR (%) [1]	25.46%	22.26%
ii) CRAR – Tier I Capital (%)[1]	23.66%	20.46%
iii) CRAR – Tier II Capital (%) [2]	1.79%	1.80%
iv) Amount of subordinated debt raised as Tier – II Capital (₹ in lakhs)	6000.00	8,000.00
v) Amount raised by issue of Perpetual Debt Instruments (₹ in lakhs)	–	–

Note: Tier II capital includes Provision for Standard Assets.

Notes forming part of Financial Statements

for the year ended March 31, 2021

45.2 A. Exposure to Real Estate Sector

(₹ in Lakhs)

Category	As at March 31, 2021	As at March 31, 2020
Direct Exposure		
i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented	20,24,207.30	19,00,067.68
ii) Commercial Real Estate –		
Lending secured by mortgages on commercial real estate (Office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.,) Exposure would also include non-fund based (NFB) limits:	1,86,439.08	1,71,091.03
iii) Investments in Mortgage Backed Securities (MBS) and other Securitised exposures –		
a) Residential	Nil	Nil
b) Commercial Real Estate	Nil	Nil
Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance companies (HFCs)	Nil	Nil

B. Exposure to Capital Market : NIL

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equityoriented mutual funds the corpus of which is not exclusively invested in corporate debt;	NIL	NIL
(ii) advances against shares / bonds /debentures or other securities or on clean basis to individuals for investment in shares (including IPOs /ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;		
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;		
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;		
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;		
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;		
(vii) bridge loans to companies against expected equity flows / issues;		
(viii) All exposures to Venture Capital Funds (both registered and unregistered)		
Total Exposure to Capital Market	**NIL**	**NIL**

Notes forming part of Financial Statements

for the year ended March 31, 2021

C. Details of financing of parent company products : NIL

D. Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the HFC : NIL

E. Advances against intangible collateral:

(₹ in Lakhs)

Particulars	Outstanding amount	Value of Intangible security
Loans against deposits (Fixed Deposits Receipts)	25.73	31.21

Exposure to group companies engaged in real estate business

S. No.	Description	Amount (₹ in lakhs)	% of owned fund
(i)	Exposure to any single entity in a group engaged in real estate business	–	–
(ii)	Exposure to all entities in a group engaged in real estate business	–	–

F. Disclosures of penalties imposed by NHB/RBI and other Regulators

The Company has complied with requirements as per Para 29 of the Housing Finance Companies (NHB) Directions 2010 except for one instance detailed below

NHB vide its letter NHB (ND)/DRS/SUP/6742/2020 dated October 15, 2020 has imposed a penalty of ₹5,900 (inclusive of GST@18%) on account of non compliance with respect to the provision of policy circular no 21 issued by NHB which is paid under protest by the Company.

G. Unsecured Advances

Unsecured Advances consists of loans granted to Staff ₹156.62 lakhs (Previous Year ₹165.62 lakhs)

45.3 Registration obtained from other financial sector regulators during the year:

(i) Renewal of registration of the Company as LEI (Legal Entity Identifier) as required by RBI.

(ii) Registration of Company on TReDS (Trade Receivables Discounting System) platform trough RXIL (Receivables Exchange of India Limited) as required by MCA (Ministry of Corporate Affairs).

(iii) Registration of the Company as Business user for filing of returns in FIRMS (Foreign Investment Reporting and Management System).

(iv) Registration of Company as convergence partner with NCH (National Consumer Helpline) through software "INGRAM" as directed by NHB

45.4 Rating assigned by Credit Rating Agencies and migration of rating during the year:

Credit Rating agency	Type	Credit Rating	
		FY 2020-21	FY 2019-20
ICRA	Public Deposits	ICRA MAAA	ICRA MAAA
ICRA	Commercial Papers	A1+	A1+
ICRA	Long Term Bank Loans	ICRA AA+	ICRA AA+
ICRA	Short Term Bank Loans	A1+	A1+
ICRA	Non Convertible Debentures	ICRA AA+	ICRA AA+
CARE	Non Convertible Debentures	CARE AAA (Outlook Negative)	CARE AAA (Outlook Stable)
CARE	Commercial Papers	A1+	A1+
FITCH	Non Convertible Debentures	*	IND AA (outlook stable)
FITCH	Commercial Papers	*	IND A1+

* The company has not obtained any credit rating from FITCH during the year.

Notes forming part of Financial Statements

for the year ended March 31, 2021

45.5 Revenue Recognition: No revenue recognition has been postponed pending the resolution of significant uncertainties.

45.6 a) During the year, no transaction was accounted which was related to prior period (Previous year ` Nil).

b) There is no change in the accounting policies during the year

45.7 Indian Accounting Standard 110 – Consolidated Financial Statements

The subject Standard is not applicable for the Company.

45.8 Provisions and Contingencies

(₹ in Lakhs)

Break up of Provisions and Contingencies	As at March 31, 2021	As at March 31, 2020
Provision for depreciation on Investment	–	–
Provision made towards Income Tax (net)	41.90	155.65
Provision towards NPA	6,758.21	4,530.79
Provisions for Standard Assets (for details like teaser loan, CRE. CRE-RH etc) -refer Note 5.6	7,837.29	7,306.96
Other Provisions & Contingencies- Disputed Income Taxes -refer Note 17	197.88	1,050.97

45.9 Draw Down from Reserves

There was no draw down from reserves during the year.

45.10 Concentration of Public Deposits, Advances, Exposures and NPAs

i) Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Deposits of twenty largest depositors	20,304.88	7,554.09
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	45.89%	24.40%

ii) Concentration of Loans & Advances

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Loans & Advances to twenty largest borrowers	3,827.14	3,947.41
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	0.17%	0.19%

iii) Concentration of all Exposure (including off-balance sheet exposure)

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Exposure to Twenty largest borrowers / customers	3,827.14	3,947.41
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	0.17%	0.19%

Notes forming part of Financial Statements

for the year ended March 31, 2021

iv) Concentration of NPAs

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
Total Exposure to Top ten NPA accounts	810.02	669.95

v) Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
A Housing Loan	–
1 Individuals	0.79%
2 Builders / Project Loans	–
3 Corporates	–
4 Others (specify)	–
B Non – Housing Loans	–
1 Individuals	1.50%
2 Builders / Project Loans	–
3 Corporates	–
4 Others (specify)	–

vi) Movement of NPAs

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
1 Net NPAs to Net Advances (%)	0.61%	0.54%
2 Movement of NPAs (Gross)		
a Opening balance	15,713.40	11,351.25
b Additions during the year	7,075.31	7,507.71
c Reductions during the year	2,597.35	3,145.56
d Closing balance	20,191.36	15,713.40
3 Movement of Net NPAs		
a Opening balance	11,182.60	7,946.62
b Additions during the year	4,381.39	5,377.61
c Reductions during the year	2,130.85	2,141.62
d Closing balance	13,433.15	11,182.60
4 Movement of provisions for NPAs (excluding provisions on standard assets)		
a Opening balance	4,530.79	3,404.63
b Provisions made during the year	2,603.54	2,130.10
c Write-off / Write-back of excess provisions	(376.11)	(1,003.94)
d Closing balance	6,758.22	4,530.79

vii) Overseas Assets

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
NIL		

Notes forming part of Financial Statements

for the year ended March 31, 2021

viii) Off-Balance Sheet SPVs sponsored (which are required to be consolidated as per accounting Norms)

Name of the SPV sponsored

Domestic	Overseas
NIL	NIL

ix) Disclosure of Complaints

Customer Complaints

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
1) No. of Complaints pending at the beginning of the year	–	34
2) No. of Complaints received during the year	2,423	1,258
3) No. of Complaints redressed during the year	2,423	1,292
4) No. of Complaints pending at the end of the year	–	–

45.11 Derivatives

a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS): No exposure

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) The notional principal of swap agreements	NIL	NIL
(ii) Losses which would be incurred if counterparties failed to fulfil their obligations under the agreements		
(iii) Collateral required by the HFC upon entering into swaps		
(iv) Concentration of credit risk arising from the swaps $		
(v) The fair value of the swap book		

b) Exchange Traded Interest Rate (IR) Derivative: No exposure

(₹ in Lakhs)

Particulars	Amount
(i) Notional principal amount of exchange traded IR derivatives undertaken during the year (instrument-wise)	NIL
(a)	
(ii) Notional principal amount of exchange traded IR derivatives outstanding as on 31st March (instrument-wise)	
(a)	
(iii) Notional principal amount of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
(a)	
(iv) Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective" (instrument-wise)	
(a)	

Notes forming part of Financial Statements

for the year ended March 31, 2021

c) **Disclosures on Risk Exposure in Derivatives :** Not applicable

A. Qualitative Disclousre

Since the Company has not involved in derivatives transactions, risk management policy of the Company does not cover any such disclsoure

B. Quantitative Disclosure

(₹ in Lakhs)

Particulars	Currency Derivatives	Interest Rate Derivatives
(i) Derivatives (Notional Principal Amount)	NIL	NIL
(ii) Marked to Market Positions [1]		
(a) Assets (+)		
(b) Liability (-)		
(iii) Credit Exposure [2]		
(iv) Unhedged Exposures		

45.12 Securitisation

(₹ in Lakhs)

Particulars	No./ Amount
(1) No of SPVs sponsored by the HFC for securitisation transactions	NIL
(2) Total amount of securitised assets as per books of the SPVs sponsored	
(3) Total amount of exposures retained by the HFC towards the MRR as on the date of balance sheet	
(I) Off-balance sheet exposures towards Credit Enhancements	
(II) On-balance sheet exposures towards Credit Enhancements	
(4) Amount of exposures to securitisation transactions other than MRR	
(I) Off-balance sheet exposures towards Credit Enhancements	
(a) Exposure to own securitizations	
(b) Exposure to third party securitisations	
(II) On-balance sheet exposures towards Credit Enhancements	
(a) Exposure to own securitisations	
(b) Exposure to third party securitisations	

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) No. of accounts	NIL	NIL
(ii) Aggregate value (net of provisions) of accounts sold to SC / RC		
(iii) Aggregate consideration		
(iv) Additional consideration realized in respect of accounts transferred in earlier years		
(v) Aggregate gain / loss over net book value		

Notes forming part of Financial Statements

for the year ended March 31, 2021

Details of Assignment transactions undertaken

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(i) No. of accounts (ii) Aggregate value (net of provisions) of accounts assigned (iii) Aggregate consideration (iv) Additional consideration realized in respect of accounts transferred in earlier years (v) Aggregate gain / loss over net book value	NIL	NIL

Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
(a) No. of accounts purchased during the year (b) Aggregate outstanding (a) Of these, number of accounts restructured during the year (b) Aggregate outstanding	NIL	NIL

B. Details of Non-performing Financial Assets sold:

(₹ in Lakhs)

Particulars	As at March 31, 2021	As at March 31, 2020
1. No. of accounts sold 2. Aggregate outstanding 3. Aggregate consideration received	NIL	NIL

45.13 Gold Loan

The Company has not provided any loans against collateral of gold and gold jewelleries.

45.14 The Company is a large Corporate as per the applicability criteria given under the SEBI Circular SEBI/HO/DDHS/CIR/P/2018/144 dated November 26, 2018.

Particulars	Details
Name of the Company	Can Fin Homes Limited
CIN	L85110KA1987PLC008699
Outstanding Borrowings of the Company as on 31st March'2021, as applicable (in ₹ Crores)	₹ 13,389.89
Highest Credit Rating during the Previous Year along with name of the Credit Rating Agency	ICRA AA+
Name of Stock Exchange in which the fine shall be paid, in case of shortfall in the required borrowings under the framework	NSE

*Outstanding borrowings of the company having original maturity of more than one year and excluding external commercial borrowings but including public deposits with maturity more than 1 year.

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 46: COVID19 Regulatory Package – Asset Classification and Provisioning

Consequent to the outbreak of the COVID-19 pandemic, the Indian government announced a lockdown in March 2020. Subsequently, the national lockdown was lifted by the government, but regional lockdowns continue to be implemented in areas with significant number of COVID-19 cases. Subsequently India has entered the second wave of the pandemic where the number of COVID cases have increased significantly and has resulted in re-imposition of localised lockdowns in various parts of the Country. The impact on the Company's operations and financial position, including the credit quality and requirement for provisioning, is uncertain and will depend on future steps taken by the Government/Reserve Bank of India till such time that the economic activities return to normalcy, which is highly unpredictable. The Company will continue to closely monitor any material changes to the future economic/regulatory conditions. However, operating substantially in asset mortgage business, which is relatively stable asset class, no major impact is anticipated at this juncture.

The RBI on March 27, 2020, April 17, 2020, May 6, 2020 and May 23, 2020 announced 'COVID-19 Regulatory Package' on asset classification and provisioning. In terms of the guidelines given in the aforesaid RBI circulars, the company has offered a moratorium option to its borrowers whose accounts are standard as on February 29, 2020, from payments of instalments falling due between March 01, 2020 to August 31, 2020. As such, in respect of all accounts classified as standard as on February 29, 2020, even if overdue, the moratorium period, wherever granted, has been excluded from the number of days past-due for the purpose of asset classification under Regulatory Income Recognition and Asset Classification norms (IRAC) as of March 31, 2021.

As on March 31,2021, Company holds a provision of ₹ 6,984.05 lakhs, after adjusting against the actual provisioning requirements for slippages from the accounts reckoned for such provisions and utilised for meeting the provision requirements under Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020.

(₹ in Lakhs)

Particulars	As at March 31, 2021
Amounts in SMA/overdue categories, where the moratorium/deferment was extended (As of March 31, 2020)	1,44,463.68
Amount where asset classification benefits is extended	66,060.30
Provisions made during the Q4FY2020 and Q1FY2021 in terms of paragraph 5	7,289.45
Provisions adjusted against slippages in terms of paragragh 6 of the circular	305.40
Residual provisions in terms paragraph 6 of the circular.	6,984.05

Note 47:

Details of resolution plan implemented under the Resolution Framework for COVID-19-related Stress as per RBI circular dated August 6, 2020 are given below.

(₹ in Lakhs)

Type of borrower	(A) Number of accounts where resolution plan has been implemented under this window	(B) exposure to accounts mentioned at (A) before implementation of the plan	(C) Of (B), aggregate amount of debt that was converted into other securities	(D) Aditional funding sanctioned, if any, including between invocation of the plan and implementation	(E) Increase in provisions on account of the implementation of the resolution plan
Personal Loans	526	7,382.84	–	–	738.28
Corporate persons*	–	–	–	–	–
Of which, MSMEs	–	–	–	–	–
Others	1	275.24	–	–	27.52
Total	**527**	**7,658.08**	**–**	**–**	**765.81**

Notes forming part of Financial Statements

for the year ended March 31, 2021

Note 48 Corporate Social Responsibility (CSR)

The Company constituted a Corporate Social Responsibility (CSR) Committee of the Board as prescribed under Section 135 of the Companies Act 2013 and has put the CSR policy in place. The Company has focussed in promoting education including special education ,setting up hostels for tribal children, Construction of class room blocks for schools, Scholarships for under privileged ,renovation of schools and anganawadis, Sponsorship of child education. The Company also focuses on healthcare by donating advanced medical equipment's to various hospitals. To promote eradicating hunger, Company has contributed for mid day meals at schools through Akshaya Patra Foundation. The company donated Relief materials to Cyclone and Flood affected areas. To promote Environmental Sustainability, donation of tree saplings, Contribution towards "Cauvery Calling", a campaign to revitalize the southern Indian river Cauvery by planting trees in the river basin was undertaken. Contribution to Prime Minister's Citizen Assistance and Relief in Emergency Situations Fund (PM CARES),Karnataka State Disaster management Authority, CM Relief Fund, Karnataka during COVID-19 pandemic, also forms part of its CSR activities.

The activities undertaken by the Company under CSR is Pan India basis and the projects are executed by Registered Office and our branches in those areas. The total amount/ budget under CSR for the FY 2020-21 was ₹1,281.00 lakhs, (including previous year ₹317 lakhs), out of which, total amount spent under the CSR activities is ₹1,107.58 lakhs. The balance amount of ₹173 Lakhs is already sanctioned and will be transferred to Unspent CSR Account as per provisions of Companies Act and will be disbursed as per the progress of the work.A summary of CSR details as on March 31, 2021 is given below.

(₹ in Lakhs)

Activities undertaken	for the year ending March 31, 2021		for the year ending March 31, 2020	
	No. of Beneficiaries	Amount Spent	No. of Beneficiaries	Amount Spent
Construction/ repair & renovation of Schools/ Hostels	7	187.22	10	369.42
Desks & benches/Tables/Almirah/Green Board/Chairs etc.	2	6.19	1	9.82
Drinking water facility/supply of other articles of necessity etc.	2	2.40	4	2.06
Scholarship to students and sponsorship of child education	8	77.82	8	24.02
Equipments/Medical vans to Hospitals	20	289.24	7	133.31
Equipments to old age homes	7	23.71	2	15.36
Eradicating Hunger	-	-	2	86.80
Environmental Sustainability	-	-	1	15.12
Tree planting under environmental protection/ sustainability/ saplings with tree guards/ pots to the customers/Ecological Balance	-	-	3	13.65
Disaster Management	2	500.00	5	276.39
Setting up Blood Bank	-	-	1	47.00
Promoting Tribal Sports	1	21.00	2	11.07
Total	**49**	**1,107.58**	**46**	**1,004.02**

Note 49: Previous years figures have been re-arranged/ regrouped wherever necessary to correspond with the current year's classification/disclosure

As per our report of even date attached

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

Georgy Mathew
Partner
Membership No: 209645

Place: Bangalore
Date: 30.04.2021

For and on behalf of the Board

Venkata Prabhakar
Chairman
DIN: 08110715

Girish Kousgi
Managing Director & CEO
DIN: 08524205

G Naganathan
Director
DIN: 00423686

Prashanth Joishy
Chief Financial Officer

Veena G Kamath
Company Secretary

Related Party Transactions Policy

[Disclosure as per Para 4.3.2 of Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021

1. Brief Background:

Security Exchange Board of India (SEBI) vide its circular No.CIR/CFD/POLICY CELL/2/2014 dated 17 April 2014, read with circular No.CIR/CFD/POLICY CELL/7/2014 dated 15 September 2014 has amended clause 35B and 49 of the listing agreement and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015. In terms of the said circular and as per Reg.23 of SEBI (LODR) Regulation, 2015, it is mandatory for the listed entities to formulate a policy on materiality of related party transactions and also on dealing with Related Party Transactions including clear threshold limits duly approved by the board of directors and such policy shall be reviewed by the board of directors at least once in every three years and updated accordingly.

Can Fin Homes Limited is a public limited company incorporated on 29/10/1987 under the Companies Act, 1956 (Corporate Identity Number L85110KA1987PLC008699). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange of India Limited and as such the provisions of the listing agreements entered into by the Company with the said stock exchanges (hereinafter collectively referred to as the 'Listing Agreements') for equity shares, are applicable and binding on it. In addition to the above SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and amendments thereto is also applicable to the Company.

2. Objective of the Policy

The policy is framed as per requirements of Regulation 23 of SEBI(LODR) Regulations, 2015 and intended to ensure proper approval and reporting of transactions between the Company and its related parties. Such transactions shall be appropriate only if they are in the best interest of the Company and its shareholders.

3. Scope of the Policy

During the course of its business, the Company enters into transactions with various entities. Some of the transactions were deemed to be 'Related Party Transactions' as per the Accounting Standard on Related Party Disclosures (IND AS-24), as notified by the Companies (Indian Accounting Standards) Rules, 2015. Such transactions were duly disclosed in the Annual Reports of the Company. The policy shall be applicable to the transactions made with:

a) Board of Directors and their relatives;

b) Key management Personnel (KMP) of the Company and their relatives; and

c) Related parties, as defined under section 2 (76) of the Companies Act 2013 and as amended from time to time and the Regulation 2(1)(zb) of SEBI(LODR) Regulations, 2015.

The parties are considered to be related, if one party has ability to control the other party or exercise significant influence over the other party, directly or indirectly, in making financial and/or operating decisions. The description of the related parties is furnished in "Appendix-1 – Definitions of various terms used in the policy".

4. Transactions are considered as related party transactions:

Following types of the transactions are considered as related party as per section 188 of Companies Act 2013:

(a) Sale, purchase or supply of any goods or materials;

(b) selling or otherwise disposing of, or buying, property of any kind;

(c) leasing of property of any kind;

(d) availing or rendering of any services;

(e) appointment of any agent for purchase or sale of goods, materials, services or property;

(f) such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company; and

(g) underwriting the subscription of any securities or derivatives thereof, of the company.

Types of the transactions considered as related party as per Reg.2(1)(zc) of SEBI(LODR) Regulations, 2015 and IND AS-24, of the Companies (Indian Accounting Standards) Rules, 2015.

Transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged, whether single transaction or group of transactions in a contract.

Types of the transactions considered as related party as per IND AS 24:

(a) Purchase or sale of goods (finished or unfinished);

(b) Purchase or sale of fixed assets;

(c) Rendering or receiving of services;

(d) Agency arrangements;

(e) Leasing or hire purchase arrangements;

(f) Transfer of research and development;

(g) License agreements;

(h) Finance (including loans and equity contributions in cash or in kind);

(i) Guarantees and Collaterals; and

(j) Management contracts including for deputation of employees.

In addition to the above, following transactions between the related parties shall also be considered as related party transactions:

(a) Borrowings

(b) Deposit

(c) Placement of deposits

(d) Advances

(e) Investments

(f) Non-funded commitments

(g) Leasing/HP arrangements availed

(h) Leasing/HP arrangements provided

(i) Purchase of fixed assets

(j) Sale of fixed assets

(k) Interest paid

(l) Interest received

5. Identification of potential related party transactions

Each Director and Key Managerial Personnel is responsible for providing notice to the Board or the Audit Committee, any potential Related Party Transaction involving him or her or his or her Relative, including any additional information about the transaction that the Board/ Audit Committee may reasonably request. The Audit Committee will determine whether the transaction does, in fact, constitute a Related Party Transaction requiring compliance with this policy.

The notice of any such potential Related Party Transaction should be given to the Board/Audit Committee well in advance so that the Audit Committee has adequate time to obtain and review information about the proposed transaction.

6. Process for ascertaining related party

The Accounts Dept. shall prepare a list of related party on the basis of information collected from the related parties as on 31st of March every year and as and when any person or entity becomes related party, in terms of this policy and declarations received. The related party list shall be updated whenever necessary and shall be reviewed at periodical intervals.

The internal Auditors/Statutory Auditor are required to verify the process of ascertaining the related parties and their correct recording/ listing in register of Contracts/ arrangement etc. as well as their classification regarding whether they are on arm's length basis.

The list of the related parties shall be circulated among the branches and any transactions with the related parties shall be carried out as per the Related Party Transaction policy.

7. Approval of Related Party Transaction:

Approval of Related party transactions by Audit Committee of the Board: All related Party Transactions proposed to be entered into by the Company shall require prior approval of Audit Committee except those transactions exempted by the committee through omnibus specific approval. All "Material" related party transactions shall require approval of the shareholders through special resolution and no related party shall vote to approve such resolutions. However, this shall not be applicable in the following cases.

(a) Transactions entered into between two government companies;

(b) Transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

Approval of the Board of Directors: All the contracts/ arrangements prescribed under Section 188(1) of the Companies Act, 2013 and within the threshold limits, which

are not in the ordinary course of business of the Company or on an arm's length basis shall along with the approval of the Audit Committee also require approval of the Board of Directors of the Company.

Approval of Shareholder: All the Material Related Party Transactions (as per Reg.23 of SEBI(LODR) Regulations, 2015) and Related Party Transactions exceeding the threshold limits, whether or not in the ordinary course of business of the Company or on an arm's length basis, shall require prior approval of the Audit Committee, the Board and the shareholders of the Company by way of Special Resolution and no related party shall vote to approve such resolution. The shareholders' approval shall not be required in respect of a resolution plan approved under section 31 of the Insolvency Code, subject to the event being disclosed to the recognized stock exchanges within one day of the resolution plan being approved.

In the following cases the prior approval of the Company by a resolution is required whenever a company is entering into a transaction, and such transaction is contracts or arrangements with respect to clauses (a) to (e) of sub-section (1) of section 188 of the Companies Act, 2013:

i) sale, purchase or supply of any goods or materials, directly or through appointment of agent, amounting to 10% or more of the turnover of the company as mentioned in clause (a) and clause (e) respectively of sub-section (1) of section 188;

ii) Selling or otherwise disposing of or buying property of any kind, directly or through appointment of agent, amounting to 10% or more of net worth of the company as mentioned in clause (b) and clause (e) respectively of sub- section (1) of section 188;

iii) Leasing of property of any kind amounting to 10% or more of turnover as mentioned in clause (c) of sub-section (1) of section 188;

iv) Availing or rendering of any services, directly or through appointment of agent, amounting to 10% or more of the turnover of the company as mentioned in clause (d) and clause (e) respectively of sub-section (1) of section 188.

Omnibus approval by the Audit Committee:

In case of certain frequent/ repetitive/ regular transactions with Related Parties which are in the ordinary course of business of the Company (including transactions for support services/sharing of services with Subsidiary/ Associate Companies), the Audit Committee may consider grant of an omnibus approval for such Related Party Transactions proposed to be entered into by the Company, subject to the following conditions:

a. The Audit Committee shall lay down the criteria for granting such omnibus approval in line with this Policy and such approval shall be applicable in respect of transactions which are repetitive in nature.

b. The Audit Committee shall satisfy itself that the need for such omnibus approval and that such approval is in the business interest of the Company.

c. Such omnibus approval shall specify (i) the name(s) of the related party, nature of transaction, period of transaction, maximum amount of transaction that can be entered into, (ii) the indicative base price or current contracted price and the formula for variation in the price, if any and (iii) such other conditions as the Audit Committee may deem fit;

Where the need for Related Party Transaction cannot be foreseen and the aforesaid details are not available, the Audit Committee may grant omnibus approval for such transactions subject to their value not exceeding ₹1 crore (Rupees One Crore only) per transaction.

The audit committee shall review, at least on a quarterly basis, the details of related party transactions entered into by the listed entity pursuant to each of the omnibus approvals given.

Such omnibus approval shall be valid for a period not exceeding 1 (one) year and shall require fresh approval after the expiry of 1 (one) year from the date of the original approval granted by the Audit Committee, from time to time.

In terms of Schedule II Part C Para B point 2 of SEBI(LODR) Regulations, 2015, the Audit Committee shall review the statement containing significant Related Party Transactions. The threshold limit for determining significant Related Party Transactions will be the same as applicable for Material Related Party Transactions under Explanation to Reg.23(1) of SEBI(LODR) Regulations, 2015, as amended from time to time.

8. Procedure of seeking approval of Related Party Transaction

As and when any transaction is contemplated with any Related Party, the concerned office entertaining the request shall submit to the Accounts Dept. RO, the details of proposed transaction with details/draft contract/ draft agreement or other supporting documents justifying that the transactions are on arms' length basis in an ordinary course of business at prevailing market rate. The Accounts Department at RO shall appropriately take it up for necessary prior approvals from the Audit Committee at its next scheduled meeting and convey back the decision to the originator.

If the proposed transaction is not in ordinary course of business but at arm's length basis, then the branch/office shall give a detailed note with justification to Accounts Department RO, for entering such transaction along with details of proposed transaction with draft agreement/ MoU/other supporting documents. Based on the note the Accounts Department at RO, shall escalate the matter for necessary approvals of the Audit Committee/Board/Share Holders as may be applicable.

The Accounts Department at RO, shall present to the Audit Committee the following information, to the extent relevant, with respect to actual or potential related Party Transaction.

a) A general description of the transactions

b) The name of the related party and the basis on which such party is a related party.

c) The related party interest in the transaction(s)

d) The approximate rupee value

e) In case of lease or other transaction providing for periodic payments or instalments, the aggregate amount of all period payments of instalments expected to be made.

f) In the case of indebtedness, the aggregate amount of principal outstanding and the rate or amount of interest payable on such indebtedness.

g) Any other material information regarding the transaction(s) or the related party's interest in the transactions.

9. Review and Approval of Related Party Transactions

Related Party Transactions will be referred to the next regularly scheduled meeting of Audit Committee for review and approval. Any member of the Committee who has a potential interest in any Related Party Transaction will recluse himself or herself and abstain from discussion and shall not vote to approve the relevant transaction.

To review a Related Party Transaction, the Committee will be provided with all, relevant material information of the Related Party Transaction, including the terms of the transaction, the business purpose of the transaction, the benefits to the Company and to the related party, and any other relevant matters.

If the Committee determines that a related party transaction should be brought before the Board, or if the Board in any case decides to review any such matter or it is mandatory under any law for Board to approve the Related Party Transaction, then the considerations set forth above shall apply to the Board's review and approval of the matter, with such modification as may be necessary or appropriate under the circumstances.

Notwithstanding the foregoing, the following Related Party Transactions shall not require approval of Audit Committee or Shareholders:

a. Any transaction that involves providing of compensation to a director or Key Managerial Personnel in connection with his or her duties to the Company or any of its subsidiaries or associates, including the reimbursement of reasonable business and travel expenses incurred in the ordinary course of business.

b. Any transaction in which the Related Party's interest arises solely from ownership of securities issued by the Company and all holders of such securities receive the same benefits pro rata as the Related Party.

10. Related Party Transactions without the prior approval under this Policy

In the event the Company becomes aware of a Related Party Transaction with a Related Party that has not been approved under this Policy prior to its consummation, the matter shall be reviewed by the Committee. The Committee shall consider all the relevant facts and circumstances regarding the Related Party Transaction and shall evaluate all options available to the Company, including ratification, revision or termination of the Related Party Transaction. The Committee shall also examine the facts and circumstances pertaining to the failure of reporting such Related Party Transaction.

In any case, where the Committee determines not to ratify a Related Party Transaction that has been commenced without approval, the Committee, as appropriate, may direct additional actions including, but not limited to, immediate discontinuation or rescission of the transaction.

In connection with any review of a Related Party Transaction, the Audit Committee has the final authority to modify or waive any procedural requirements of this Policy.

11. Disclosures

The Company shall keep a register in the prescribed form (Annexure 3) giving the full particulars of contracts or arrangements in respect of all RPTs approved by the Audit Committee and the gist of such contracts/RPTs shall be placed before the Board periodically.

Necessary disclosures shall be made in the Annual Financial Statements as required under IND AS-24 and RBI guidelines (Annexure 2). Further, as required under Para A of Schedule V of SEBI(LODR) Regulations, 2015 necessary details of all materially significant related party transactions which may have potential conflict with the interests of the Company at large, shall also be given in Report on Corporate Governance section in Annual Report.

As per Point 2A of Para A of Schedule V of SEBI(LODR) regulations, 2015 disclosures of transactions of the Company with any person or entity belonging to the promoter/promoter group which hold(s) 10% or more shareholding in the Company, in the format prescribed in the relevant accounting standards for annual results.

Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on Corporate Governance.

The Company shall disclose the policy on dealing with related party transactions on its website and a web link thereto shall be provided in the Annual Report.

The Company shall submit within 30 days from the date of publication of its standalone and consolidated financial results for the half year, disclosures of related party transactions on a consolidated basis, in the format specified in the relevant accounting standards for annual results to the stock exchanges and publish the same on its website.

12. Records relating to Related Party/Supporting documents

All disclosures, supporting documents shall be preserved for a period of eight years from the end of the financial year to which it relates and shall be kept in the custody of the Accounts Dept. and any other person authorized by the Board for the purpose.

Agreement or other supporting documents along with proper justification of the transaction being on arm's length basis in the ordinary course of business at a prevailing market rate shall also be preserved for a period of 8 years from the end of the financial year to which it relates and shall be kept in the custody of the Board and/or any other person authorized by the Board for the purpose.

13. Interpretation

In any circumstances where the terms of these policies and procedures differ from any existing or newly enacted law, rule, regulation or standard governing the Company, the law, rule, regulation or standard will take precedence over these policies and procedure until such time as these policies and procedures are changed to confirm to the law, rule, regulation or standard.

14. Secrecy Provisions

In terms of paragraph 4A of IND AS-24, the disclosure requirements do not apply in circumstances when providing such disclosures would conflict with the reporting enterprise's duties of confidentiality as specifically required in terms of statute, by regulator or similar competent authority. In terms of Paragraph 4B of IND AS-24, in case a statute or SEBI prohibits the Company from disclosing certain information which is required to be disclosed, non-disclosure of such information would not be deemed as non-compliance with the requirements of IND AS-24. It is clear from the above that on account of the judicially recognized common law duty of the Company to maintain the confidentiality of the customer details, they need not make such disclosures. In view of the above, where the disclosures under the Indian Accounting Standards are not aggregated disclosures in respect of any category of related party i.e., where there is only one entity in any category of related party, Company need not disclose any details pertaining to that related party other than the relationship with that related party.

15. Review of Related Party Transaction Policy

The Related Party Transaction Policy is a part of Corporate Governance Policy. Therefore, the same has to be reviewed at periodical intervals by the Board as per the Transactions.

Annexure 1 – Definitions

a. Arm's Length Transaction

Explanation Section 188(1)(b) of the Companies Act, 2013 defines an "arm's length transaction" to mean a transaction between two related parties that is conducted as if they were unrelated, so that there is no conflict of interest.

b. Associate Company

A. Companies Act, 2013:

In terms of Section 2(6) of the Companies Act, 2013 "Associate Company" in relation to another company, means a company in which that other company has a significant influence, but which is not a subsidiary company of the company having such influence and includes a joint venture company.

"significant influence" means control of at least twenty per cent of total share capital, or of business decisions under an agreement.

"joint venture" means a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

B. Listing Agreement SEBI(LODR) Regulations, 2015:

As per Reg.2(1)(b) of SEBI(LODR) Regulations, 2015 "associate" shall mean any entity which is an associate under sub-section (6) of section 2 of the Companies Act, 2013 or under the applicable accounting standards.

c. Audit Committee

The term "Audit Committee" means the committee of Board of Directors of the Company constituted in accordance with the provisions of Reg. 18 of SEBI(LODR) Regulations, 2015, Companies Act, 2013 and Rules made thereunder.

d. Material Related Party Transaction

In terms of Explanation to Reg.23(1) of SEBI(LODR) Regulations,2015, a transaction with a related party shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds ten percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the Company.

In terms Reg.23(1A) of SEBI(LODR) Regulations,2015 notwithstanding the above, a transaction involving payments made to a related party with respect to brand usage or royalty shall be considered material if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceed two percent of the annual consolidated turnover of the listed entity as per the last audited financial statements of the listed entity.

e. Related Party

A. Companies Act, 2013:

The term Related Party has been defined under Section 2(76) of the Companies Act, 2013 as follows-

Related Party with reference to a company means –

(i) a Director or his relative;

(ii) a Key Managerial Personnel or his relative;

(iii) a firm, in which a Director, Manager or his relative is a partner;

(iv) a private company in which a Director or Manager is a member or director;

(v) a public company in which a Director or Manager is a Director and holds along with his relatives, more than 2% of its paid-up share capital;

(vi) any body corporate whose Board of Directors, Managing Director or Manager is accustomed to act in accordance with the advice, directions or instructions of a Director or Manager;

(vii) any person on whose advice, directions or instructions a Director or Manager is accustomed to act:

Provided that nothing in sub-clauses (vi) and (vii) shall apply to the advice, directions or instructions given in a professional capacity;

(viii) any company which is —

(A) a holding, subsidiary or an associate company of such company; or

(B) a subsidiary of a holding company to which it is also a subsidiary;

(C) an investing company or the venture of the Company

Explanation- For the purpose of this clause, "the investing company or the venture of a Company" means a body corporate whose investment in the Company would result in the Company becoming an associate company of the body corporate.

(ix) such other person as may be prescribed;

Rule 3 of the Companies (Specification of definitions details) Rules, 2014, provides that a Director or Key Managerial Personnel of the holding company or his relative with reference to a company shall also be deemed to be a related party.

B. SEBI(LODR) Regulations,2015

The term Related Party has been defined under Regulation 2(1)(zb) of SEBI(LODR) Regulations, 2015 as follows:

"related party" means a related party as defined under sub-section (76) of section 2 of the Companies Act, 2013 or under the applicable accounting standards:

Provided that any person or entity belonging to the promoter or promoter group of the listed entity and holding 20% or more of shareholding in the listed entity shall be deemed to be a related party.

C. Accounting Standard:

As per IND AS-24 pertaining to Related Party Disclosures notified by the Companies (Indian Accounting Standards) Rules 2015, a Related Party is defined as follows –

Parties are considered to be related if at any time during the reporting period one party has the ability to control the other party or exercise significant influence over the other party in making financial and/or operating decisions.

f. Related Party Transaction

Reg.2(1)(zc) of SEBI(LODR) Regulations, 2015 Clause 49(VII)(A) of the Listing Agreements defines a "Related Party Transaction" means to be a transfer of resources, services or obligations between a company and a related party, regardless of whether a price is charged and a "transaction" with a related party shall be construed to include a single transaction or a group of transactions in a contract.

g. Relative

In terms of Section 2(77) of the Companies Act, 2013 read with the Companies (Specification of definitions details) Rules, 2014 a person is said to be a relative of another, if –

a. They are members of a Hindu undivided family;

b. They are husband and wife;

c. Father (including step-father);

d. Mother (including step-mother);

e. Son (including step-son);

f. Son's wife;

g. Daughter;

h. Daughter's husband;

i. Brother (including step-brother); or

j. Sister (including step-sister).

Annexure-2

Format for Related Party Disclosures

The manner of disclosures required as per IND AS-24 is illustrated below. It may be noted that the format is merely illustrative and is not exhaustive.

Items / Related Party	Parent (as per ownership or control)	Subsidiaries	Associates/ Joint Ventures	KMP@ Relatives Total of KMP
Borrowings#				
Deposit#				
Placement of deposits#				
Advances#				
Investments#				
Non funded commitments#				
Leasing arrangements availed#				
Leasing arrangements provided#				
Purchase of fixed assets				
Sale of fixed assets				
Interest paid				
Interest received				
Rendering of services*				
Receiving of services*				
Management contracts*				

Annexure- 3

Format of declaration to be given by the Director/KMP/Related Party & Relatives

I Son/Daughter/Spouse of resident of being a Director/ Key Management Personnel (KMP)/ relative of Director or KMP/related party in the Company hereby give notice of my interest of concern in the following company or companies, bodies, corporate, firms or other association of individuals/ transactions:

1	Name of the Companies/Body Corporate/ firms/Association of Individuals	
2	The name of the related party and nature of relationship	
3	The nature, duration of the contract and particulars of the contract or arrangement	
4	Nature of Transactions	
5	Material terms of the contract or arrangement including the value, if any	
6	Any advice paid or received for the contract or arrangement, if any	
7	Manner of determining the pricing and other commercial terms, both included as part of contract and not considered as part of the contract.	
8	Whether all factors relevant to the contract have been considered, if not, the details of factors not considered with the rationale for not considering those factors	
9	Whether arm's length transaction	
10	Whether as per approved scheme of the Company	
11	Any Other information relevant or important for the Board to take a decision on the proposed transaction	

Signature: Date:

Designation:

Annexure-4

Format of Information in Related Party Transaction

Name of the Account where facility availed :

Name of the related party and relationship :

Nature & Volume of transaction during the quarter:

A) Transaction of routine and repetitive in nature

Nature of Transactions	Total during the quarter	Cumulative during the financial year
Deposits		
Interest Paid/Accrued		
Advances		
Interest Paid/Accrued		
Other Services/Contracts		
Whether Staff rate and whether eligible		
Special concession, if any		
Whether at arm's length		

B) Transaction not covered under (A) and upto a monetary limit of ₹ 1 Crore per transaction

Nature of Transactions	Total during the quarter	Cumulative during the financial year
Special concession, if any		
Whether at arm's length		

C) Material Transactions

Nature of Transactions	Total during the quarter	Cumulative during the financial year

**e.g. lease agreements, service contracts etc.

I/We hereby confirm that the transactions entered into by me/us/my relatives with the Company were at arm's length and no special benefits have accrued to me/us/relatives.

I/we also confirm that all transactions which are in the purview of the related party transaction have been reported by me.

Signature
(Authorised Signatory)

Annexure – List of Branch Offices, Affordable Housing Loan Centres & Satellite Offices

I. Branches

1. Agra
CAN FIN HOMES LTD
No.7/9, 1st Floor,
Sector 9, Awas Vikas Colony,
Near Kargil Petrol Pump,
Sikandra Bodla Road,
Agra-282007
Uttar Pradesh,
Ph: 0562 4008500
E-mail id:agra@canfinhomes.com

2. Ahmedabad
CAN FIN HOMES LTD
No.203, Samedh Building,
Second Floor, C G Road,
Near Associated Petrol Pump,
Ahmedabad – 380006
Ahemdabad
Ph: 079–26405312/26560759
E-mail id:ahmedabad@canfinhomes.com

3. Ajmer
CAN FIN HOMES LTD
Shop No. 10, First Floor,
Bhadana Complex, Nasirabad Road,
Opp. Balupura Road, Adarsh Nagar,
Ajmer – 305001
Rajasthan
Ph: 0145–2680249
E-mail id:ajmer@canfinhomes.com

4. Ambala
CAN FIN HOMES LTD
Showroom No.4, First Floor,
Prem Nagar, Old Delhi Road,
Ambala – 134003
Haryana
Ph: 0171–2550560
E-mail id:ambala@canfinhomes.com

5. Allahabad
CAN FIN HOMES LTD
First floor, 43/10, Sardar Patel Marg,
Civil Lines, Allahabad – 211001,
Uttar Pradesh
Ph: 0532 2260680
E-mail id:allahabad@canfinhomes.com

6. Baroda
CAN FIN HOMES LTD
No.235, Second Floor,
Kanha Capital, Opp.Express Hotel,
R C Dutt Road, Alkapuri,
Vadodara – 390007
Gujarat
Ph: 0265 2388326/2388327
Email id: baroda@canfinhomes.com

7. Belgaum
CAN FIN HOMES LTD
Shop No. 5, Ground Floor,
Classic Manor, Somwar Peth
Tilakwadi, Belgaum – 590006,
Karnataka
Ph: 0831 4810577
Email id: belgaum@canfinhomes.com

8. Bhopal
CAN FIN HOMES LTD
Plot No 1, 1st Floor, Zone 2,
M P Nagar, Bhopal – 462011
Madhya Pradesh
Ph: 0755 2577939/2577935
Email id: bhopal@canfinhomes.com

9. Bhubaneswar
CAN FIN HOMES LTD
Plot No. SCR – 44, 1st Floor,
Kharavela Nagar, Unit 3,
Bhubaneswar – 751001
Odisha
Ph: 0674 2393345/2393061
Email id: bhubaneswar@canfinhomes.com

10. BLR – Begur
CAN FIN HOMES LTD
No. 2 & 4, Shanti Priya Layout,
Devarachikkanahalli Road,
Behind Govt. High School,
Begur, Bengaluru – 560068
Karnataka
Ph: 080 25740123
Email id: begur@canfinhomes.com

11. BLR – Bidadi
CAN FIN HOMES LTD
Sri Annapoorneshwari Complex,
1st Floor (above Canara Bank), BGS Road,
Bidadi, Bengaluru – 562109
Karnataka
Ph: 080 27282580
E-mail id: bidadi@canfinhomes.com

12. BLR-Devanahalli
CAN FIN HOMES LTD
No.19/18/2598/2431/2105,
1st Floor, Raja Rao Complex,
Opp, SBI, Tippu Sultan Road,
Devanahalli, Bengaluru – 562110
Karnataka
Ph: 080 27682007
Email id: devanahalli@canfinhomes.com

13. BLR – Electronic City
CAN FIN HOMES LTD
"VIJAY ICON" Sr.No.61/11,
Hoskur Gate, Anantha Nagar Road,
Electronic City, Bengaluru – 560100
Karnataka
Ph: 080 27833633
Email id:electroniccity@canfinhomes.com

14. BLR-Hesaraghatta road
CAN FIN HOMES LTD
No. 765, 1st Floor, MEI Layout,
60 feet Road, Bagalagunte,
Hesaraghatta Rd, Bengaluru-560073
Karnataka
Ph:080 28390315
Email id:hesaraghatta@canfinhomes.com

15. BLR – HRBR Layout
CAN FIN HOMES LTD
No. 2C-707, Ground Floor, 7th Main,
2nd Cross, 1st Block, HRBR Layout,
Bengaluru – 560043
Karnataka
Ph : 080 25450092
E-mail id: hrbr@canfinhomes.com

16. BLR-Jayanagar
CAN FIN HOMES LTD
"Sajini", #69,Old No.35,
Basement Ground & I Floor,
12th Main, Jayanagar,
3rd Block, Bengaluru-560011
Karnataka
Ph:080 41625644/26630501
Email id: jayanagar@canfinhomes.com

17. BLR – K R Puram
CAN FIN HOMES LTD
No- 414, Pooja Complex, 2nd Floor,
Old Madras Road, K R Puram,
Bengaluru – 560036
Karnataka
Ph: 080 25619333
E-mail id: krpuram@canfinhomes.com

18. BLR – Kanakapura Road
CAN FIN HOMES LTD
No.58, 1st Floor,
Sri Channakeshava Swamy Nilaya,
6th Cross, Raghuvanahalli,
Opp. IT, Kanakapura Main Road,
Bengaluru – 560062,
Karnataka
Ph : 080–29751565
E-mail id: kanakapura@canfinhomes.com

19. BLR-Kengeri
CAN FIN HOMES LTD
#445, Ground Floor, 4th Main 5th Cross,
Near Shreya Hospital,
Kengeri Satellite Town,
Bengaluru – 560060
Karnataka
Ph: 080 28486098/99
Email id: kengeri@canfinhomes.com

20. BLR-Koramangala
CAN FIN HOMES LTD
CAN FIN HOMES LTD
No.586, II Floor, 80 Ft. Road,
Near Police Station,
Opp. Bethany School,
8th Block, Koramangala,
Bengaluru – 560095
Karnataka
Ph: 080 41115689/41112879
Email id:koramangala@canfinhomes.com

21. BLR-Marathahalli
CAN FIN HOMES LTD
No 14, Ground Floor "Krishna Towers",
Outer Ring Road Cross,
Marathahalli, Bengaluru – 560037
Karnataka
Ph:080 25401332
Email id: marathahalli@canfinhomes.com

22. BLR-Nelamangala
CAN FIN HOMES LTD
I Floor, Nandi Complex, K No.2151,
Opp. Taluk, Panchayath Office,
Subhash Nagar, Nelamangala,
Bengaluru – 562123
Karnataka
Ph: 080 27722664
Email id:nelamangala@canfinhomes.com

23. BLR-Sahakarnagar
CAN FIN HOMES LTD
No.553, Therani Tower, First Floor,
F-Block, 60 Feet Road, Sahakarnagar
Bengaluru-560092
Karnataka
Ph:080–23636425/23635730
Email id:sahakarnagar@canfinhomes.com

24. BLR – Sarjapur Road
CAN FIN HOMES LTD
No.1569, 2nd Floor, Outer Ring Road,
Sector 1, HSR Layout,
Bengaluru – 560102
Karnataka
Ph: 080 22583623/22583643
E-mail id: sarjapur@canfinhomes.com

25. BLR-Uttarahalli
CAN FIN HOMES LTD
#39, Ground Floor,
Subramanyapura Main Road,
Chikkalasandra, Near Prarthana School,
Bengaluru – 560061
Karnataka
Ph: 080 26394003/26394009
Email id:uttarahalli@canfinhomes.com

26. BLR-Vijayanagar
CAN FIN HOMES LTD
No 148/E,I Floor,
Siddalingeswara Towers,
17th MAIN, East Of Chord Road,
Vijayanagar, Bengaluru – 560040
Karnataka
Ph: 080 23404965/23359162
Email id:vijayanagar@canfinhomes.com

27. Calicut
CAN FIN HOMES LTD
18/1145 D, Ist Floor,
K T Commercial Complex,
Jail Road, Calicut – 673004
Kerala
Ph:-0495–2704883/2704884
Email id: calicut@canfinhomes.com

28. Coimbatore
CAN FIN HOMES LTD
439, Lawrance Complex,
Cross Cut Road, Gandhipuram,
Coimbatore – 641012
Tamil Nadu
Ph: 0422 2235977/2230163
Email id:coimbatore@canfinhomes.com

29. CBE-P N Palyam
CAN FIN HOMES LTD
APR Complex, No.125, LMW Road,
Periyanaikenpalayam,
Coimbatore – 641020
Tamil Nadu
Ph: 0422 – 2693235
Email id: pn.palyam@canfinhomes.com

30. Chandigarh
CAN FIN HOMES LTD
SCO-87, I Floor Sector 47-D,
Chandigarh – 160047
Punjab
Ph: 0172 2632925, 2632097
Email id: chandigarh@canfinhomes.com

31. CHN-Ambattur
CAN FIN HOMES LTD
Old No.29A, New No.7A,
Ground Floor, High School Road,
Secretariat Colony, Ambattur,
Chennai – 600053
Tamil Nadu
Ph: 044–26572050
Email id:ambattur@canfinhomes.com

32. CHN-Anna Salai
CAN FIN HOMES LTD
NO.770/A, Spencer Tower Annexe,
Anna Salai, Chennai – 600002
Tamil Nadu
Ph: 044 28497026/28496318
Email id:chennai@canfinhomes.com

33. CHN-Chengalpattu
CAN FIN HOMES LTD
Plot No.28, Ground Floor,
Lawyer Krishnaswamy Street,
Vedachalam Nagar,
Chengalpattu – 603001,
Tamil Nadu
Ph :044 27426466
Email id:chengalpattu@canfinhomes.com

34. CHN-Perungudi
CAN FIN HOMES LTD
No.14, I Floor, Old Mahabalipuram Road,
Kandanchavadi, Perungudi,
Chennai – 600096
Tamil Nadu
Ph: 044–24965656
Email id:omr@canfinhomes.com

35. CHN-Porur
CAN FIN HOMES LTD
44/2, Somasundaram Avenue,
Sakthi Nagar Main Road, Porur,
Chennai – 600116,
Tamil Nadu
Ph: 044 22520032
Email id: porur@canfinhomes.com

36. CHN-Red Hills
CAN FIN HOMES LTD
No.7, Madhavaram High Road,
(Off GNT Road), Red Hills,
Chennai-600052
Kerala
Ph: 044 26322077
E-mail id: redhills@canfinhomes.com

37. CHN-Sriperumbudur
CAN FIN HOMES LTD
No.122 -123, I Floor,
XVB Building, Gandhi Road,
Sriperumbudur – 602105
Tamil Nadu
Ph: 044 – 27162188
E-mail id: sriperumbudur@canfinhomes.com

38. CHN-Tambaram
CAN FIN HOMES LTD
No.52, 1st Floor, Raj Kamal Complex,
Gandhi Road, Tambaram West
Chennai-600045
Tamil Nadu
Ph: 044 22260600/22260640
Email id:tambaram@canfinhomes.com

39. CHN-Thiruvallur
CAN FIN HOMES LTD
#52, I Floor, TNHB,
Kakalur Main Road,
Thiruvallur – 602001
Ph: 044 27666161
E-mail id:thiruvallur@canfinhomes.com

40. Cochin
CAN FIN HOMES LTD
39/3728, Vishnupriya, Manikkiri,
M G Road, Pallimukku,
Ernakulam, Cochin-682016
Kerala
Ph:0484–2356855/2356826
Email id: cochin@canfinhomes.com

41. Davangere
CAN FIN HOMES LTD
D.No.633,I Floor, K B Extension,
Opp to Bellary Siddamma Park,
Trishul Talkies Road,
Davanagere – 577002
Karnataka
Ph: 08192–270345/235006
E-mail id:davangere@canfinhomes.com

42. Dehradun
CAN FIN HOMES LTD
Shanthi Plaza, 1st Floor, GMS Road,
Near Wadia Institute,
Dehradun-248001
Uttarakhand
Ph:0135 -2520242
E-mail id:dehradun@canfinhomes.com

43. Dharuhera
CAN FIN HOMES LTD
1st Floor, Above Rewari Co-operative
Bank, Near Hanuman Mandir,
Sohna Road, Dharuhera – 123106
Haryana
Ph: 01274 – 242381
E-mail id :dharuhera@canfinhomes.com

44. Dindigul
CAN FIN HOMES LTD
#91, Sona Towers, Shop no. 21–23,
Palani Road, Dindigul – 624001
Tamil Nadu
Ph: 0451 – 2433272
Email id:dindigul@canfinhomes.com

45. Erode
CAN FIN HOMES LTD
#64/5, GRDI Complex, Second Floor,
Perundurai Road, Erode-638011
Tamil Nadu
Ph: 0424 – 2255563
Email id:erode@canfinhomes.com

46. Goa
CAN FIN HOMES LTD
307&308, III Floor, Kamat Towers Patto,
Panjim – 403001
Goa
Ph :0832–2438517,2438518
Email id:goa@canfinhomes.com

47. Guntur
CAN FIN HOMES LTD
4–1–1, 1st floor, GAYATRI PLAZA,
Main Road, Koritipadu, Guntur-522007
Andhra Pradesh
Ph: 0863–2333064
Email id: guntur@canfinhomes.com

48. Gwalior
CAN FIN HOMES LTD
1st Floor, Business Centre, Plot.No.31,
Near Income Tax, City centre,
Gwalior-474 009
Madhya Pradesh
Ph: 0751–2233865
Email id: gwalior@canfinhomes.com

49. Hosur
CAN FIN HOMES LTD
Door No.74, First Floor, 3rd Cross,
Kamarajar Colony, Near Balaji Theatre,
Hosur-635109
Tamil Nadu
Ph: 04344–220001/220040
Email id:hosur@canfinhomes.com

50. Hubli
CAN FIN HOMES LTD,
V A Kalaburagi Square,
Ground Floor, Near Vivekananad,
Hospital, Desai Cross,
Hubbali-580029
Karnataka
Ph:0836–2256390,2256464
Email id:hubli@canfinhomes.com

51. HYD-Gachibowli
CAN FIN HOMES LTD
D.No.2–52/88, 2nd Floor,
Sai Teja Enclave, Indira Nagar,
Gachibowli – 500032
Hyderabad
Ph: 040–23000030
Email id:gachi.bowli@canfinhomes.com

52. HYD – Kompally
CAN FIN HOMES LTD
1st Floor, Bindu Elegance, Plot No.01,
Sy. No.12,24, Beside D-Mart,
Above TVS Showroom,
Petbasheerbad,
Kompally – 500067
Hyderabad
Ph:040–27164210
Email id:Kompally@canfinhomes.com

53. HYD-Kukatpally
CAN FIN HOMES LTD
Unit No-201, Vijaya Sai Towers,
Opp: BJP Office,
Kukatpally Main Road,
Kukatpally – 500072
Hyderabad
Tel :040 – 48519188/48519288
Email id:kukatpally@canfinhomes.com

54. HYD – LB Nagar
CAN FIN HOMES LTD
#3–11–413/2, Shiva Ganga Colony,
LB Nagar – 500074
Hyderabad
Ph: 040 – 49501072
Email id: lbnagar@canfinhomes.com

55. HYD-Nampally
CAN FIN HOMES LTD
Doyen Trade House, 5–9–100
Public Garden Road,
Nampally – 500001
Hyderabad
Ph:040–23233385/23231626
Email id:hyderabad@canfinhomes.com

56. HYD – Ramachandrapuram
CAN FIN HOMES LTD
1st floor Plot No. 28,
Brahmarambika Colony,
Beeramguda,
Ramachandrapuram – 502032
Hyderabad
Ph: 08455 – 280777
Email id: ramachandrapuram@
canfinhomes.com

57. HYD-Tarnaka
CAN FIN HOMES LTD
12–13–416/1, 2nd Floor, Street No- 1,
Tarnaka, Secunderabad-500017
Telangana
Ph: 040–27005553
Email id:taranaka@canfinhomes.com

58. Indore
CAN FIN HOMES LTD
'Kuber House', 162, 1st Floor,
Kanchan Bagh Main Road,
Indore – 452001
Madhya Pradesh
Ph: 0731 -2521194/95
Email id:indore@canfinhomes.com

59. Jaipur
CAN FIN HOMES LTD
Office Nos.S-14 to S-21, 2nd Floor,
Hawa Sadak, Geejgarh Towers,
Jaipur-302006
Rajasthan
Ph: 0141–2211644/2211645
Email id:jaipur@canfinhomes.com

60. Jodhpur
CAN FIN HOMES LTD
No 301, III floor, Front side,
Sabu Tower, 2nd Chopasani Road,
Jodhpur – 342001
Rajasthan
Ph: 0291–2640128
Email-Id: jodhpur@canfinhomes.com

61. Kakinada
CAN FIN HOMES LTD
D No 11–14–1, M U Towers, Near
Balatripura,
Sundari Temple, Ramaraopeta,
Kakinada-533001
Andhra Pradesh
Ph: 0884 2377898
Email id:Kakinada@canfinhomes.com

62. Karimnagar
CAN FIN HOMES LTD
D.No.2–3–31, Lahoti House, 1st Floor,
Bhoiwada, Karimnagar – 505001
Ph: 0878 2243299
E-mail id: karimnagar@canfinhomes.com

63. Karnal
CAN FIN HOMES LTD
1st Floor, SCO-2, Sec-9, HUDA Market,
Karnal-132001, Haryana
Ph: 0814–2231555
E-mail id: karnal@canfinhomes.com

64. Kalyan
CAN FIN HOMES LTD
Shop No.1, First Floor,
AVM Supreme Complex,
Near D Mart, Ball Bazaar,
Kalyan West, Thane – 421301
Maharashtra
Ph: 0251 2304040
Email id: kalyan@canfinhomes.com

65. Kanpur
CAN FIN HOMES LTD
Ground Floor, Potdar Tower,
63/3, The Mall,
Kanpur – 208001
Uttar Pradesh
Ph: 0512 2302067
Email id: kanpur@canfinhomes.com

66. Karur
CAN FIN HOMES LTD
MM Complex, 1st Floor, 9/1,
Mohan Store Layout,
Near Kannan Departmental Store,
Sengunthapuram, Karur-639002
Tamil Nadu
Ph: 0432 230970
Email id:karur@canfinhomes.com

67. Khammam
CAN FIN HOMES LTD
D. No. 11 – 5 – 12/6, First Floor,
Wyra Road,
Z.P. Centre, Near KVM High School,
Khammam – 507165
Telangana
Ph: 08742 238161
E-mail id:khammam@canfinhomes.com

68. Kota
CAN FIN HOMES LTD
1-C-18, SFS, Front Side, First Floor,
Sheela Choudhary Road, Talwandi,
Kota – 324005
Rajasthan
Ph: 0744 2426600
Email id:kota@canfinhomes.com

69. Kumbakonam
CAN FIN HOMES LTD
No. 137, First Floor, Gandhi Adigal Salai,
Kumbakonam – 612001
Tamil Nadu
Ph: 0435 2400021
E-mail id:Kumbakonam@canfinhomes.com

70. Kurnool
CAN FIN HOMES LTD
Shop No. 18 & 19, First Floor,
T. J. Shopping Mall, SBI Circle,
R. S. Road, Kurnool – 518004
Andhra Pradesh
Ph: 08518 222335
E-mail id:kurnool@canfinhomes.com

71. Lucknow
CAN FIN HOMES LTD
#3,Shahnajaf Road, Ist Floor,
Speed Building, Heazrat Ganj,
Lucknow – 226001
Uttar Pradesh
Ph: 0522 4065123/2230331
E-mail id:lucknow@canfinhomes.com

72. Madurai
CAN FIN HOMES LTD
564/1, Ground Floor, Sakthi Towers,
12th East Cross Street,
Behind Naveen Bakery,
Anna Nagar, Madurai-625020
Tamil Nadu
Ph: 0452 2524400/2539799
E-mail id:madurai@canfinhomes.com

73. Mandya
CAN FIN HOMES LTD
No.1689, 1st Floor,
100 Feet Road (Double Road),
Vidyanagar, Mandya – 571401
Karnataka
Ph: 0823 2222454
E-mail id:mandya@canfinhomes.com

74. Mangalore
CAN FIN HOMES LTD
Ground Floor, Canara Bank Building,
Balmatta Road, Mangaluru-575001
Karnataka
Ph: 0824 2440193/2442593
E-mail id:mangalore@canfinhomes.com

75. Meerut
CAN FIN HOMES LTD
#5,Pinnacle Tower First,
Floor Vaishali Corner, Ghar Road
Meerut – 250002
Uttar Pradesh
Ph:0121–4060006
E-mail id:meerut@canfinhomes.com

76. MUM-Borivali
CAN FIN HOMES LTD
No.101, First Floor,
'Ganjawalla Elegance",
Opp State Bank of Patiala,
Ganjanwalla Lane, Borivali West,
Mumbai – 400092
Maharashtra
Ph: 022 28924369/28925385
E-mail id:mumbai@canfinhomes.com

77. MUM- Panvel
CAN FIN HOMES LTD
No.101, 1st Floor , Junction 406/1B,
Takka Road, New Panvel – 410206
Maharashtra
Ph: 022–27459355
E-mail id: panvel@canfinhomes.com

78. MUM-Vashi
CAN FIN HOMES LTD
"GIRIRAJ", I Floor,SS-4/210 & 212
(Opp Meghraj Multiplex),
Sector-2, Vashi,
Navi Mumbai – 400703
Maharashtra
Ph:022–27820168/27820169
E-mail id:navimumbai@canfinhomes.com

79. Mysuru
CAN FIN HOMES LTD
No. 16, 1st Floor, Sita Vilas Road,
Near Marimallappa School,
Chamaraja Mohalla, Mysuru-570024
Karnataka
Ph:0821 2429699/2422377
Email id:mysore@canfinhomes.com

80. Nagpur
CAN FIN HOMES LTD
Plot No.M-3, First Floor,
West Side WHC Main Road,
Near Aath Raasta Square,
Scientific Layout,
Laxminagar, Nagpur – 440022
Maharashtra
Ph: 0712 2233898
E-mail id: nagpur@canfinhomes.com

81. Namakkal
CAN FIN HOMES LTD
No.387/1, Aarthi Complex, 1st Floor,
Salem Road, Namakkal – 637001
Tamil Nadu
Ph: 04286–274252
E-mail id: namakkal@canfinhomes.com

82. Nashik
CAN FIN HOMES LTD
No.F-12, First Floor, Suyojit Sankul,
Above Bafna Jewellers, Sharanpur,
Nashik – 422002
Maharashtra
Ph: 0253 2318305
E-mail id: nashik@canfinhomes.com

83. NCR-Faridabad
CAN FIN HOMES LTD
59–60, I Floor, Neelam Bata Road,
NIT, Opp. RG Stone Hospital,
Faridabad – 121001
Haryana
Ph: 0129 2436596/2436527
E-mail id:faridabad@canfinhomes.com

84. NCR-Gurgaon
CAN FIN HOMES LTD
SCO No. 34 & 35, I Floor,
Sector 10-A, (Above Canara BANK)
Gurugram – 122002
Haryana
Ph:0124–2370760
E-mail id:gurgaon@canfinhomes.com

85. NCR-New Delhi
CAN FIN HOMES LTD
1st Floor, DDA BUILDING,
Near Paras Cinema, Nehru Place,
New Delhi – 110019
Ph: 011 26435815/26430236
Email id: delhi@canfinhomes.com

86. NCR-Noida
CAN FIN HOMES LTD
Plot No. C-3, 1st Floor (Above Canara Bank),
Sector – 1, Noida – 201301
Uttar Pradesh
Ph: 0120 2970164 / 65 / 67
Email id: noida@canfinhomes.com

87. NCR-Pitampura
CAN FIN HOMES LTD
DP-11,1st flr, Local Shopping Complex,
Above CB E-lounge Pitampura,
New Delhi-110034
Ph: 011 27315619
E-mail id:pitampura@canfinhomes.com

88. NCR-Rohtak
CAN FIN HOMES LTD
1st Floor, Anand Plaza, Shop No.104,
Near Chottu Ram Chowk,
Rohtak – 124001
Haryana
Ph: 01262 257852
E-mail id:rohtak@canfinhomes.com

89. NCR-Sonepat
CAN FIN HOMES LTD
SCO-3, First Floor,
Main Market, Sector -14,
Sonepat – 131001
Haryana
Ph: 0130–2235101
E-mail id:sonepat@canfinhomes.com

90. NCR – Greater Noida
CAN FIN HOMES LTD
Shop. No – 4, 4th Floor, Plot No – 3,
S L Towers, Alpha – I, Opp. Golf Course,
Greater Noida – 201308
Uttar Pradesh
Ph: 0120 4569974
E-mail id:greaternoida@canfinhomes.com

91. Nellore
CAN FIN HOMES LTD
Plot No. 14, First Floor,
Sree Krishna Building,
Aditya Nagar, Above Josh Bakery,
Children's Park Road,
Nellore – 524002,
Andhra Pradesh
Ph: 0861 2334781
E-mail id:nellore@canfinhomes.com

92. Ongole
CAN FN HOMES LTD
D no.7–331(4), 1st Floor,
above State Bank of Mysore
Mangamooru Donka,
Ongole – 523002
Andhra Pradesh
Ph: 08592 282023
E-mail id: ongole@canfinhomes.com

93.Patna
CAN FIN HOMES LTD
"Deep House", 2nd Floor,
Nala Road (Near Shiva Mandir),
Patna – 800004
Bihar
Ph: 0612 2721046,2721047
Email id: patna@canfinhomes.com

94. Pondicherry
CAN FIN HOMES LTD
Door No.115, 1st Floor,
Vysial Street, Pondicherry – 605001
Tamil Nadu
Ph: 0413 2338447/2222118
E-mail id:pondicherry@canfinhomes.com

95. Pune
CAN FIN HOMES LTD
101, UMA Apartment, CTS-2027,
Tilak Road,Near S P College,
1st Floor, Sadashivpet ,
Pune – 411030
Maharashtra
Ph:020 24321030/24321031
Email id: pune@canfinhomes.com

96. Raipur
CAN FIN HOMES LTD
Sai Towers Building, I floor,
Besides Azad Chowk Police Station,
Amapara,G E Road,
Raipur – 492001
Chhattisgarh
Ph:0771 2531100/4097077
Email id:raipur@canfinhomes.com

97. Rajahmundry
CAN FIN HOMES LTD
D No:75–6–38, 1st floor, BVR Complex,
Prakash Nagar,
Rajahmundry – 533103
Andhra Pradesh
Ph: 0883 2474781
Email id: rajahmundry@canfinhomes.com

98. Salem
CAN FIN HOMES LTD
#1,Johnson pet Road,
Hastampatty,
Salem- – 636007
Tamil Nadu
Ph: 0427 2420017
Email id: salem@canfinhomes.com

99. Shimoga
CAN FIN HOMES LTD
No.599, 1st Floor, Maruthi,
60 Feet Main Road,
Police Chowki Circle,
Vinobanagar, Shivamogga – 577 204
Karnataka
Ph: 08182 254110
E-mail id:shimoga@canfinhomes.com

100. Thoothukudi
CAN FIN HOMES LTD
No. 69D/4, Diya Corner, First Floor,
Second Street,
Thoothukudi – 628003
Tamil Nadu
Ph: 0461 2333636
E-mail id:Thoothukudi@canfinhomes.com

101. Tiruchengode
CAN FIN HOMES LTD
No.86/17, Royal Towers,
Sankari Main road,
Seetarampalayam (Post)
Tiruchengode – 637209
Tamil Nadu
Ph: 04288–255057
E-mail id:tiruchengode@canfinhomes.com

102. Tirunelveli
CAN FIN HOMES LTD
Thiripura Arcade, III Floor, No.75-A,
Trivandrum High Road,
Palayamkottai,
Tirunelveli – 627002
Tamil Nadu
Ph: 0462 2578567
E-mail id:tirunelveli@canfinhomes.com

103. Tirupathi
CAN FIN HOMES LTD
D No.19–8–169, SBI Colony,
Near Vijaya Bharathi TVS Show Room
Tirupathi – 517501
Andhra Pradesh
Ph: 0877 2242692
E-mail : tirupathi@canfinhomes.com

104. Tirupur
CAN FIN HOMES LTD
No.302/3, First Floor, Above Canara Bank,
Palladam Road,
Tirupur 641604
Tamil Nadu
Ph: 0421 2215977
E-mail: tirupur@canfinhomes.com

105. Trichur
CAN FIN HOMES LTD
1ST Floor, MARVA ARCADE,
Machingal Lane, M G ROAD,
Trichur-680001
Kerala
Ph: 0487 2332421/2331952
Email id: trichur@canfinhomes.com

106. Trichy
CAN FIN HOMES LTD
B-11,2nd floor, star Towers
Thillai Nagar,
Trichy-620018
Tamil Nadu
Ph: 0431–2744100/2744200
Email id: trichy@canfinhomes.com

107. Trivandrum
CAN FIN HOMES LTD
No.28/2452, Ground Floor, M G Road,
Trivandrum-695001
Kerala
Ph:0471–2477446/2461446
Email id: trivandrum@canfinhomes.com

108. Tumkur
CAN FIN HOMES LTD
I Floor, Sri Seetharama Temple Bldg.,
Someshwarapura Main Road,
Tumakuru-572102
Karnataka
Ph:0816–2251514
Email id: tumkur@canfinhomes.com

109. Udaipur
CAN FIN HOMES LTD.
No-101, First Floor,
Plot No-643, Subhash Villa Hiranmagri
Sec 13, Udaipur-313001
Rajasthan
Ph:0294–2485770
E-mail id:Udaipur@canfinhomes.com

110. Udupi
CAN FIN HOMES LTD
"Shri Malshi" 1st Floor, Court Back Road,
Udupi – 576101,
Karnataka
Ph: 0820 – 2520644
E-mail id: udupi@canfinhomes.com

111. Varanasi
CAN FIN HOMES LTD
D-58/12, A-2, Second Floor,
"Jasmaa' Complex, Above Ksheer Sagar,
Gandhinagar, Sigra, Varanasi –221010
Uttar Pradesh
Ph: 0542 2220221
E-mail id:varanasi@canfinhomes.com

112. Vellore
CAN FIN HOMES LTD
Door No. 08, First Floor, Sri Balaji Nagar,
3rd Street, Katpadi, Vellore – 632007,
Tamil Nadu
Ph: 0416 2242013
E-mail id:vellore@canfinhomes.com

113. Vijayawada
CAN FIN HOMES LTD
1st Floor, D No.40–5–19/17,
Near Siddhartha College Bus Stop,
Mogalrajpuram, Vijayawada-520010
Andhra Pradesh
Ph:0866–2474781/2481731
Email id: vijaywada@canfinhomes.com

114. Virudhunagar
CAN FIN HOMES LTD
Door No.7/3 B, First Floor,
A P V Complex,
Pullukaoorani Road,
Virudhunagar – 626001
Tamil Nadu
Ph: 04562–246566
E-mail id:virudhunagar@canfinhomes.com

115.Visakhapatnam
CAN FIN HOMES LTD
Gnd floor, DN: 48–8–4,
Chaitanya College Lane,
Dwarakanagar,
Visakhapatnam-530016
Andhra Pradesh
Phone: 0891–2746736, 2591167
E-mail id:visakhapatnam@canfinhomes.com

116.Vizag Steel Plant
CAN FIN HOMES LTD
D.No.31- 27 -56/7, 1st Floor,
Opp. Annapurna Theatre,
Kurmannapalem,
Visakhapatnam – 530046
Andhra Pradesh
Ph: 0891 2747599
E-mail id:vizagsteelplant@canfinhomes.com

117.Vizianagaram
CAN FIN HOMES LTD
Plot No. 8 D.No.8–12–5, Ground Floor,
Opp. CTO Office, Siddharthanagar,
Vizianagaram – 535002
Andhra Pradesh
Ph: 08922 237599
E-mail id:Vizianagaram@canfinhomes.com

118. Warangal
CAN FIN HOMES LTD
Kandakatla's Gateway,
H No.15–11–503 & 504K U Road,
Naimnagar, Hanamkonda,
Warangal – 506001
Telangana
Ph: 0870–2442166
E-mail id:warangal@canfinhomes.com

119. Ghaziabad
CAN FIN HOMES LTD
C-18, First Floor, RDC, Rajnagar,
Ghaziabad, NCR-Ghaziabad – 201002
Uttar Pradesh
Ph: 0120 2825555
E-mail id:ghaziabad@canfinhomes.com

120. Gollapudi
CAN FIN HOMES LTD
D No.76–14–95/11, 1st Floor,
APSRTC Workshop Road,
Bhavanipuram Gollapudi,
Vijayawada – 520012
Andhra Pradesh
Ph: 0866 6888668
E-mail id:gollapudi@canfinhomes.com

121. Mansarovar
CAN FIN HOMES LTD
23/49, I Floor, Near Cricket Stadium,
Madhyam Marg, Mansarovar,
Mansarovar, Jaipur – 302020
Rajasthan
Ph: 0141–2399862/2399863
E-mail id:mansarovar@canfinhomes.com

122. Yelahanka
CAN FIN HOMES LTD
No.1099, 1st Floor, 1st B Main Road,
16th B Cross, Yelahanka,
Bengaluru-560064
Karnataka
Ph:080–28564502
E-mail id:yelahanka@canfinhomes.com

123. Hassan
CAN FIN HOMES LTD
EWS-321, 1st Flr,SLR Complex,
9th Cross, Opp Mini Vidhanasoudha,
1st Stage, Kuvempunagar Extension,
Hassan-573201
Karnataka
Ph: 08172–263326
Email Id:hassan@canfinhomes.com

124. Jabalpur
CAN FIN HOMES LTD
78, 1st Flr, J R Sama Complex,
Naramada Road,
Jabalpur-482001
Madhya Pradesh
Ph. No.: 0761-2411886
Email Id:jabalpur@canfinhomes.com

125. Bilaspur
CAN FIN HOMES LTD
1st Floor B L Plaza, Khata No 1538/3,
Vikas Nagar, Mungeli Road,
Mangala Chowk,
Bilaspur-495001,
Chattisgarh
Ph.: 07752-404571
Email Id:bilaspur@canfinhomes.com

126. Berhampur
CAN FIN HOMES LTD
Plot No 1168/2422, Gnd Flr, Hilipatna,
Near Nehru Park, Station Road,
Behrampur-760005,
Odisha
Ph.: 0680-2221888
Email Id:berhampur@canfinhomes.com

127. Eluru
CAN FIN HOMES LTD
D No 25-13-4/1, N R Plaza,
Narasimharaopet,
More Super Market Road,
Eluru-534006, W.G.Dist
Andhra Pradesh
Ph.: 08812-245245
Email Id:eluru@canfinhomes,com

128. Boisar
CAN FIN HOMES LTD
1st Flr, Yash Siddi Residency,
Palghar Road,
Navapur Naka, Boisor-401501
Maharastra
Ph: 0844 6664000
Email Id:boisar@canfinhomes.com

129. Surat
CAN FIN HOMES LTD
U-16, 1st Floor, Atlanta Shoping Mall,
Near VIP Road, Bhimrad Canal Road,
Althan, Surat - 395017
Gujarat
Ph: 8000976250
E-mail id:surat@canfinhomes.com

130. Mangalagiri
CAN FIN HOMES LTD
F: 427-428, Ankamma's Plaza, First Floor,
Middle Centre, Tenali Road,
Guntur, Mangalagiri - 522503
Andhra Pradesh
Ph: 08645 234589
E-mail id:mangalagiri@canfinhomes.com

131. Bhilai
CAN FIN HOMES LTD
Shop No.255-258, First Floor, Above
HDFC Bank,
Chouhan Estate. G.E.Road,
Supela Bhilai, Bhilai - 490023
Chhattisgarh
Ph: 0788 4902391
Email id: bhilai@canfinhomes.com

132. Bhimavaram
CAN FIN HOMES LTD
Flat No. 04, Ground Floor,
Door No. 2-1-50, SVR Towers,
J P Road, Bhimavaram - 534202
Andhra Pradesh
Ph: 08816 297744
Email id: bhimavaram@canfinhomes.com

133. Kadapa
CAN FIN HOMES LTD
Sri Vasavee Towers, D No. 42/1454-1,
First Floor, Sankarapuram,
Kadapa - 516002
Andhra Pradesh
Ph: 08562 247589
Email Id: kadapa@canfinhomes.com

134. Siddipet
CAN FIN HOMES LTD
Office No. 101, D No. 18-54, First Floor,
Prajay Srinilayam, Beside New Bus Stand
Siddipet, Siddipet - 502103
Telengana
Ph: 08457 230122
Email Id: siddipet@canfinhomes.com

135. Nizamabad
CAN FIN HOMES LTD
H No 5-6-370, First Floor, Road No 3,
Hyderabad Road, Land Mark - opp Lane
to More Super Market, Andhra Bank
Saraswathi Nagar, Nizamabad - 503001,
Telangana
Ph: 08462 223244
Email Id: nizamabad@canfinhomes.com

136. Rajkot
CAN FIN HOMES LTD
No.202, Corporate Levels, Second Floor,
150 feet Ring Road,
Near Ayodhya Chowk, Rajkot - 360005
Gujarat
Ph: 7625013258
Email Id: rajkot@canfinhomes.com

137. Jamnagar
CAN FIN HOMES LTD
Office No. 239-240, Second Floor,
Madhav Plaza, Near Lal Bunglow,
Opp SBI, Jamnagar - 361001
Gujarat
Ph: 0288 2554151
Email Id: jamnagar@canfinhomes.com

138. Haridwar
CAN FIN HOMES LTD
First Floor, Above Ujjivan Bank,
Arya Nagar,
Jwalapur Main Road, Haridwar - 249407
Uttarakhand
Ph: 01334 250030
Email Id: haridwar@canfinhomes.com

139. Sagar
CAN FIN HOMES LTD
First Floor, Central Bank Building
Gopal Ganj, Sagar - 470001
Madhya Pradesh
Ph: 07582-220456
Email Id: sagar@canfinhomes.com

140. Aurangabad
CAN FIN HOMES LTD
Office No. 101, First Floor, Anand
Business Center, C.T.S No. 17303,
Opp. Sant Eknath Rang Mandir,
New Usmanpura, Aurangabad - 431005,
Maharashtra
Ph: 7625013263
Email Id: aurangabad@canfinhomes.com

141. Chakan
CAN FIN HOMES LTD
Office No - 171, Dnyanda City,
Dnyanda Jadhav Commercial Center,
Near Chakan ST Stand
Chakan -410501,
Maharashtra
Ph: 02135-249230
Email Id: chakan@canfinhomes.com

142. Kolhapur
CAN FIN HOMES LTD
No. 560,E, First Floor, Mahavir Bhavan
Shahapuri Vyapari Peth,
Kolhapur -416001
Maharashtra
Ph: 0231 2666478
Email Id: Kolhapur@canfinhomes.com

143. Alwar
CAN FIN HOMES LTD
Plot No. 6, Second Floor
Lajpat Nagar, Alwar – 301001
Rajasthan
Ph: 0144–2704055
Email Id: alwar@canfinhomes.com

144. Jhansi
CAN FIN HOMES LTD
First Floor, SBI Main Branch Building,
Opp.Dhyanchand Stadium,
Civil Lines, Jhansi – 28400
Uttar Pradesh
Ph: 0510–2332676
Email Id: jhansi@canfinhomes.com

145. Jalandhar
CAN FIN HOMES LTD
SCO-13, First Floor, Puda Complex,
(Opp. Tehsil Complex), Ladowali Road,
Jalandhar – 144001
Punjab
Ph: 0181–2242900
Email Id: jalandhar@canfinhomes.com

146. Rewa
CAN FIN HOMES LTD
Hall No. 5A 2/4 Block A, Second Floor
Shilpi Plaza, Rewa – 486001
Madhya Pradesh
Ph: 07662 2252930
Email Id: rewa@canfinhomes.com

147. Bannerghatta Road
CAN FIN HOMES LTD
No. 1 & 2, 2nd Floor, 1st Cross,
Ramakrishnappa Layout,
Bannerghatta Road
Gottigere Village,
Bengaluru – 560083
Karnataka
Ph: 080–25780611
Email Id: bannerghatta@canfinhomes.com

148. Bhavnagar
CAN FIN HOMES LTD
Flat No. 202, Second Floor,
Corporate House,
Opp. HDFC Bank, Waghawadi Road,
Bhavnagar – 364002
Gujarat
Ph: 0278–2562056
Email Id: bhavnagar@canfinhomes.com

149. Hinjewadi
CAN FIN HOMES LTD
1st Floor, Phadatare Heights,
Above ICICI Bank Ltd, Near D'Mart
Hinjewadi, Pune – 411012
Maharashtra
Ph: 7625013272
Email Id: hinjewadi@canfinhomes.com

150. Durgapur
CAN FIN HOMES LTD
UCP-001, Ground Floor
Bengal-Ambuja City Centre,
Durgapur – 713216
West Bengal
Ph:0343 2546404
Email Id: durgapur@canfinhomes.com

151. Jharsuguda
CAN FIN HOMES LTD.
B K Building, Second Floor,
Opposite Canara Bank SME Branch,
Sarbahal Road,
Jharsuguda Odisha
Ph: 06645–271467
Email Id: jharsuguda@canfinhomes.com

152. Jagatpura
CAN FIN HOMES LTD
1st Floor, Rajawat Tower, Plot No.200,
Lajpat Nagar, Near 7 No.
Choraha, Maha Road,
Jagatpura
Jaipur
Ph: 7625013274
Email Id: jagatpura@canfinhomes.com

153. Pollachi
CAN FIN HOMES LTD
No.179–180, Golden Tower, 1st Floor,
Palladam Road,
Pollachi-642001
Tamil Nadu
Ph: 04259–296900
Email Id: pollachi@canfinhomes.com

154. Thanjavur
CAN FIN HOMES LTD
New TS No.2093/2A1, 1st Floor,
Vandikara Street, Nagai Main Road,
Near Santhapillai Gate Bus Stop,
Thanjavur-613007
Tamil Nadu
Ph: 04362 290354
Email Id: thanjavur@canfinhomes.com

155. Mancherial
CAN FIN HOMES LTD.
Plot No.52, 1st Floor, Road No.4,
Hi-Tech City,
Mancherial – 504208,
Telangana
Ph: 0873–6295577
Email Id: mancherial@canfinhomes.com

156. Srikakulam
CAN FIN HOMES LTD
D.No.2–2–64 & 65, 1st Floor, Krishna
Nivas,
Near Rythu Bazar, Illisipuram Road,
Srikakulam – 53001
Andhra Pradesh
Ph: 08942–279599
Email Id: srikakulam@canfinhomes.com

157. Ballari
CAN FIN HOMES LTD
No.33M, 1st Floor, Jyothi Plaza,
Above Raymonds Show Room,
Near S P Circle, Club Road,
Devi Nagar, Ballari – 583103
Karnataka
Ph: 08392–294056
Email Id: ballari@canfinhomes.com

158. Theni
CAN FIN HOMES LTD
Door No.1555/3, First Floor,
Nehruji Road,
Periyakulam Highway, Allinagaram,
Theni – 625531
Tamil Nadu
Ph: 04546 290782
Email Id:theni@canfinhomes.com

159. Hoskote
CAN FIN HOMES LTD.
No.86/14, First Floor,
Near Govt. Taluk Hospital,
Malur Main Road, Hoskote Town
Bengaluru Rural – 562114
Karnataka
Ph: 080–29500091
Email Id: hoskote@canfinhomes.com

160. Haveri
CAN FIN HOMES LTD.
Plot No. 20/A & 20/B,
SY No. 157/B/1B/1C,
Sri Renuka Arcade, Hanagal Road,
Haveri – 581110
Karnataka
Ph: 89040 50283
Email Id: haveri@canfinhomes.com

161. Solapur
CAN FIN HOMES LTD.
Office No 3 & 4, Plot No 12–15, "Melody Business Centre", Sy No 124/A-5,
Jule Solapur,
Solapur – 413004
Maharashtra
Ph: 89040 50284
Email Id: solapur@canfinhomes.com

162. Kalaburagi
CAN FIN HOMES LTD.
Shop No. 11 & 12, 1st floor,
Krishneshwar complex,
New Jewargi Road,
Kalaburagi – 585102
Karnataka
Ph: 89040 50286
Email Id: kalaburagi@canfinhomes.com

163. Bhilwara
CAN FIN HOMES LTD.
#9, S-13–14, First Floor, Basant Vihar,
Bhilwara 311001,
Rajasthan
Ph: 89040 50285
Email Id: bhilwara@canfinhomes.com

164. Magadi Road
CAN FIN HOMES LTD.
No.S1356, First Floor,
BEL Layout, Herohalli Village,
Magadi Road, Yeshwanthapura,
Bengaluru-560091
Karnataka
Ph: 89518 96287
Email Id: magadi.road@canfinhomes.com

165. Gurgaon Sector 5
CAN FIN HOMES LTD.
Adjacent HP,
Kataria Fuel Co, Above TVS Showroom,
Railway Road, Gurgaon – 122001
Haryana
Ph: 89518 96288
Mail Id: gurgaon2@canfinhomes.com

166. Shoranur
CAN FIN HOMES LTD
Malutty Shopping Corner,
Post Office Road, Shoranur
Palakkad
Kerala
Ph:0466 2224440
Email Id:shoranur@canfinhomes.com

167.Tenali
CAN FIN HOMES LTD
H.No.7–2–41/B, Ground Floor,
Opp. Sri Chaitanya School,
Bhavanam Vari Street,
Ganganammappa
Tenali – 522 201
Andhra Pradesh
Ph: 08644 225838
Email Id: tenali@canfinhomes.com

168. Palwal
CAN FIN HOMES LTD
First Floor, Ashirwad Plaza, Opp Nishant Public School Rasolpur Road,
Palwal
Haryana
Ph: 0127–5240033
Email Id:palwal@canfinhomes.com

169. Pithampur
CAN FIN HOMES LTD
G-1, first floor, Jeevan Complex
Mhow-Neemuch road
Pithampur
Dhar – Madhya Pradesh
Ph: 07292 – 298273
Email Id:pithampur@canfinhomes.com

170. Doddaballapura
CAN FIN HOMES LTD
Shop No.1, Ground Floor,
Ganeshappa Complex,
Palanajogihalli, Gowribidanur Road,
Mallathhalli, Doddaballapur -561203
Karnataka
Ph: 080 27622134
Email Id:doddaballapur@canfinhomes.com

171. Ghatkesar
CAN FIN HOMES LTD
Shop No 1& 2, H NO 5–122
1st Floor, Canara Nagar,
Opp – Piller number 85,
Medipalli Mandal, Boduppal Main Road
Hyderabad – 500092
Telengana
Email Id:ghatkesar@canfinhomes.com

172. Gobichettypalayam
CAN FIN HOMES LTD Block C, Room No.23A/3, 1st Floor,
Senthan Kanthan Complex,
Erode Road,
Gobichettipalayam, Erode – 638476
Tamil Nadu
Ph: 04285 222446
Email Id: gobichettipalayam@canfinhomes.com

173. Mandideep
CAN FIN HOMES LTD
B-202, First Floor, Indra Nagar,
Mandideep, Bhopal – 462046
Maddya Pradesh
Ph: 07480–233922
Email Id:mandideep@canfinhomes.com

174. Manesar
CAN FIN HOMES LTD
Raheja Square, First Floor,
Shop No. F – 14, Manesar – 122051.
Haryana
Ph: 0124 2290152
Email Id: manesar@canfinhomes.com

175. Ramnagaram
CAN FIN HOMES LTD
No 3, Sadvi Complex,
Vivekananda Nagar
B. M. Road, Ramanagara – 562159
Karnataka
Ph: 0097
Email Id: ramanagara@canfinhomes.com

176. Rewari
CAN FIN HOMES LTD
No.1652/57/1, First Floor,
Near Main Post Office,
Circular Road,
Rewari – 123401
Haryana
Ph: 01274 – 223015
Email Id:rewari@canfinhomes.com

177.Sanga Reddy
CAN FIN HOMES LTD
58 MIG, First Floor, Phase-2,
Pothireddypally, Bypass Road,
Sangareddy – 502001
Telangana
Ph: 08455 277550
Email Id:sangareddy@canfinhomes.com

178. Attibele (Electronic City)
CAN FIN HOMES LTD
Site no.1, D-1014, First Floor,
Opp Syndicate Bank,Attibele Circle,
Sarjapur Road, Attibele,
Bengaluru – 562107
Karnataka
Ph: 080–27844440
Email Id:attibele@canfinhomes.com

179. Thanisandra (HRBR)
CAN FIN HOMES LTD
No. 48, Ground Floor, 5th Main Road,
Central Excise Layout,
Shivaram Karanth Nagar,
Thanisandra
Bengaluru – 560077
Karnataka
Email Id: thanisandra@canfinhomes.com

180. Whitefield
CAN FIN HOMES LTD
No. 3 & 4, First Floor,
Immadihalli Main Road
Vinayaka Layout, Whitefield,
Bengaluru – 560066
Karnataka
Ph: 080 28454501
Email Id:whitefield@canfinhomes.com

181. TAR AS Rao Nagar
CAN FIN HOMES LTD
1st Floor, D No.1–8–4/2,
North Kamalanagar, E.C.I.L.(Post),
A S Rao Nagar, Hyderabad – 500062
Telengana
Ph: 040–27148161
Email Id: asraonagar@canfinhomes.com

182. MDU Thirumangalam (Madurai)
CAN FIN HOMES LTD
D.No.46/1, HDFC Bank Building,
Madurai Main Road,
Thirumangalam,
Madurai – 625706
Tamil Nadu
Ph: 04549 282499
Email Id: thirumangalam@canfinhomes.com

183. HUB Dharwad
CAN FIN HOMES LTD
First Floor, Opp.BRTS Bus Terminal,
NTTF, P B Road
Dharwad – 580001
Karnataka
Ph: 0836 – 2443507
Email Id: dharwad@canfinhomes.com

184. DGL Batlagundu
CAN FIN HOMES LTD
5 – 1, Anu Towers, First Floor, Madurai
Main Road, Opp. SBI,
Near Kaliamman Temple,
Batlagundu – 624202
Tamil Nadu
Ph: 04543 245057
Email Id: batlagundu@canfinhomes.com

185. MANR Jhothwar
CAN FIN HOMES LTD
S-61 & 62, Laxman Rekha Scheme No.17,
Nangal Jaisa Bohra Jhotwara, Jaipur –
302012
Rajasthan
Email Id: jhotwara@canfinhomes.com

186. Neyyatinkara
CAN FIN HOMES LTD
XII / 504 – E, First Floor, Asif Centre,
Alummoodu Neyyattinkara,
Trivandrum – 695121
Kerala
Ph: 0471 220117
Email Id: neyattinkara@canfinhomes.com

187. Aluva
CAN FIN HOMES LTD
D.No.352/2, 1st Floor, Alookaran
Complex, Market Road, Aluva – 683101
Kerala
Email Id:aluva@canfinhomes.com

188. Cox Town
CAN FIN HOMES LTD
47, Ground Floor, Wheeler Road,
Coxtown, Bengaluru – 560005
Karnataka
Email Id: coxtown@canfinhomes.com

189. Cuddalore (Pondicherry)
CAN FIN HOMES LTD
106, First Floor, Nethaji Road,
Manjakuppam, Cuddalore – 607001
Tamil Nadu
Email Id:Cuddalore@canfinhomes.com

190. Vidyaranyapura
CAN FIN HOMES LTD
101, Ground Floor, II Main, III Cross,
AMS Layout, Vidyaranyapura,
Bengaluru – 560097
Karnataka
Email Id:Vidyaranyapura@canfinhomes.com

191. Kangeyam
CAN FIN HOMES LTD
5G, First Floor, Rajaji Street,
Above Indian Bank,
Kangeyam Tirupur Dist
Email Id: kangeyam@canfinhomes.com

192. Kazhakuttom (Trivandrum)
CAN FIN HOMES LTD
No.2, Ground Floor, SS Complex,
Near Police Station
Kazhakuttom, Trivandrum – 695001
Kerala
E-mail id: kazhakuttom@canfinhomes.com

193. Peelameedu
CAN FIN HOMES LTD
No.88, 'D', First Floor, E S
Corner, Avinashi Road, Hope
College, Coimbatore – 641004
Tamil Nadu
Email Id: peelameedu@canfinhomes.com

194. Velur
CAN FIN HOMES LTD
No.13 (1), First Floor,
Old Byepass Road, Paramithi,
Velur – 638182
Tamil Nadu
Ph: 04268 222068
E-mail id: velur@canfinhomes.com

195. Oddanchatram
CAN FIN HOMES LTD
276/1 – 9, Sri Sri Sakthi Complex,
First Floor, Opp: Bus Stand,
Oddanchatram – 624619
Tamil Nadu
Ph: 04553–244196
Email Id:oddanchatram@canfinhomes.com

196. MYS-Vijayanagar
Can Fin Homes Ltd.
#4999,1st Floor, Vijayanagara 2nd
Phase, 4th StageDevaraja Mohalla,
Mysuru-570017
Karnataka
Email Id:mysvijayanagar@canfinhomes.com

197. Patia
Can Fin Homes Ltd.
Plot No HIG-191, L-1153/97,
P S Chandrashekarpur, Kanan Vihar, Patia,
Bhubaneshwar-751024
Odisha
Email Id:patia@canfinhomes.com

198. Thiruvembur
CAN FIN HOMES LTD
No.9 & 10, Riyaz Complex,
1st Floor, Erumbeeswarar Nagar,
Trichy – 620013
Tamil Nadu
Email Id:thiruvembur@canfinhomes.com

199. Rajarajeshwari Nagar
Can Fin Homes Ltd.
Shop NO 9,Site No 20,CMC Khata No 26,
Ideal Homes Township, R R Nagar,
Bengaluru-560098
Karnataka
Email Id:rajarajeshwarinagar@
canfinhomes.com

200. Yeshwanthpur
Can Fin Homes Ltd.
Shop No.7, No.580, Ground Floor,
Ramachandra complex, 9th Cross,
1st main Yeshwanthpur,
Bengaluru – 560 022
Karnataka
Email Id: yeshwanthpur@canfinhomes.
com

Notes

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Disclaimer

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

Can Fin Homes Ltd
(Sponsor : CANARA BANK)
HOME LOANS + DEPOSITS
Translating Dreams into Reality
ಕ್ಯಾನ್ ಫಿನ್ ಹೋಮ್ಸ್ ಲಿ.

Registered Office

No. 29/1, 1st Floor, M N Krishna Rao Road,
Near Lalbagh West Gate, Basavanagudi,
Bengaluru 560004

a K&A creation | www.kalolwala.co.in

Can Fin Homes Limited
Registered Office: No. 29/1, 1st Floor, Sir M N Krishna Rao Road ,
Basavanagudi, Bengaluru 560 004, Karnataka, India
Corporate Identity Number (CIN): L85110KA1987PLC008699
E-mail: compsec@canfinhomes.com Web: www.canfinhomes.com
Tel: 080 48536192 Fax: 080 26565746

Notice of the 34th Annual General Meeting

NOTICE is hereby given that the THIRTY FOURTH ANNUAL GENERAL MEETING OF THE MEMBERS OF CAN FIN HOMES LIMITED will be held on September 08, 2021, Wednesday at 11:00 A.M. IST through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following businesses:

ORDINARY BUSINESS

Agenda No.1 – Adoption of financial statements

To receive, consider and adopt the Audited Financial Statements, including Balance Sheet as at March 31, 2021 and statement of the Profit and Loss account of the Company for the year ended that date together with the reports of the Directors and Auditors thereon.

Agenda No.2 – Declaration of dividend

To declare a dividend of ₹ 2/- per equity share for the financial year ended March 31, 2021.

Agenda No.3 – Re-appointment of Shri Debashish Mukherjee as Director

To appoint a director in the place of Shri Debashish Mukherjee (DIN–08193978), Director, who retires by rotation and being eligible, offers himself for re-appointment.

Agenda No.4 – To appoint Statutory Central Auditors

To appoint two Audit Firms/LLPs as the Statutory Central Auditors (SCAs) in terms of the RBI guidelines RBI/2021–22/25-Ref.No.DoS.CO.ARG/SEC.01/08.91.001/2021–22 dated April 27, 2021, for a tenure of 3 years on such remuneration as may be determined by the Board of Directors of the Company and to authorise the Board of Directors to appoint Branch Auditors, and consider and if thought fit, to pass, with or without modification(s), the following Resolution(s):

"RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 and guidelines issued by the Reserve Bank of India (RBI), including any amendments, modifications, variations or re-enactments thereof, M/s. B Srinivasa Rao & Co., Chartered Accountants (Firm Reg. No.008763S) and M/s. B K Ramadhyani & Co., LLP, Chartered Accountants (Firm Reg. No.002878S/S200021), who have offered themselves for appointment and have confirmed their eligibility to be appointed as Statutory Central Auditors in terms of Section 141 of the Companies Act, 2013 and applicable rules and the RBI guidelines dated April 27, 2021, be and are hereby appointed as the joint Statutory Central Auditors of the Company for a period of 3 (three) years to hold office from the conclusion of the 34th Annual General Meeting until the conclusion of the 37th Annual General Meeting to be held in 2024, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company, for the purpose of audit including reporting on internal financial controls of the Company's accounts at its Registered Office and Branch offices, to be allocated between both in consultation with the management, with power to the Board, including relevant Committee(s) thereof, to alter and vary the terms and conditions of appointment, etc., including by reason of necessity on account of conditions as may be stipulated by the RBI and/or any other authority.

RESOLVED FURTHER THAT the Board of Directors of the Company (including the Audit Committee of the Board or any other person(s) authorised by the Board or the Audit Committee in this regard), be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary or desirable for such purpose and with power on behalf of the Company to settle all questions, difficulties or doubts that may arise in regard to implementation of the resolution including

but not limited to determination of roles and responsibilities/ scope of work of the respective joint Statutory Central Auditors, negotiating, finalising, amending, signing, delivering, executing, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 143(8) and all other applicable provisions of the Companies Act, 2013 and rules made thereunder and the applicable RBI guidelines, the Board of Directors of the Company be and is hereby authorised to appoint any person(s) qualified for appointment as auditor(s) of the Company under Section 141 and all other applicable provisions, if any of the Companies Act, 2013, as Branch Auditors for audit of any of the Branch offices of the Company, present and future, for such tenure and on such terms and conditions, including remuneration and out-of pocket expenses, as may be decided by the Board of Directors of the Company, within the purview of the applicable law."

SPECIAL BUSINESS

As Ordinary Resolution(s)

Agenda No.5 – Appointment of Shri Amitabh Chatterjee as a Director and Whole-time Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s), as Ordinary Resolution:

"RESOLVED THAT Shri Amitabh Chatterjee (DIN-09219651), be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of sections 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and any other Rules thereunder read with Schedule V of the said Act, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof and Articles 25 to 29 of the Articles of Association of the Company, as amended from time to time, approval of the Members of the Company be and is hereby accorded for the appointment of Shri Amitabh Chatterjee (DIN-09219651) as the Whole-time Director (to be designated as Deputy Managing Director) of the Company for a tenure of 3 (three) years with effect from July 15, 2021 and subject to further extension in the period of service, if any, by Canara Bank at such remuneration as detailed in the terms and conditions of deputation received from Canara Bank, he is entitled to in accordance with the Service Regulations of Canara Bank, subject to any modifications, revisions thereon (including revision on account of promotion etc., that may take place from time to time) payable by way of reimbursement to Canara Bank and incentives as per the schemes approved by the Board of Directors of the Company and on the terms and conditions as detailed in the explanatory statement attached hereto, provided however that the remuneration payable to Shri Amitabh Chatterjee shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof from time to time.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings, as may be required and to delegate all or any of its powers herein conferred to any Directors(s) or Committee of Directors to give effect to the aforesaid resolutions."

Agenda No.6 – Appointment of Shri Ajai Kumar as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 149, 150, 152 and all other applicable provisions of the Companies Act, 2013, if any, the Rules made thereunder read with Schedule IV to the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended from time to time, Regulation 17 and other applicable regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, applicable clauses of Master Direction–Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, Shri Ajai Kumar (DIN-02446976), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Shri Ajai Kumar for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company, for a tenure upto the conclusion of the Annual General Meeting of the Company of the year 2023-24 and whose office shall not be liable to retire by rotation and that he shall be paid sitting fees and reimbursed expenses for attending Board and Committee meetings as applicable till the end of his tenure in terms of the offer of his appointment."

Agenda No.7 – Acceptance of deposits from public

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to Section 73(2) and Section 76 and all the applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any amendment(s), modification(s),

variation(s) or re-enactment(s) thereof), the Master Direction–Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 issued by RBI in supersession of `The Housing Finance Companies (NHB) Directions, 2010' and guidelines issued from time to time and as applicable, for invitation, acceptance and renewal of deposits from public, to the extent not exceeding 3 (three) times of the net owned funds or such other limits prescribed by NHB/RBI from time to time, and deposits from others, provided that the total amount upto which aggregate money(ies) borrowed by the Board of Directors of the Company together with the deposits so accepted from the public and others, shall not exceed the limit approved by the Members of the Company in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and this consent shall be effective and valid until altered, modified or rescinded in future."

As Special Resolution(s)

Agenda No.8 – To borrow amounts not exceeding ₹ 30,000 Crore

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the resolutions passed by the Members at the Thirty Third Annual General Meeting of the Company held on August 26, 2020, the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof and read with the Articles of Association of the Company, to continue to borrow from time to time money(ies) on behalf of the Company as they deem requisite and/or expedient for the purpose of the business of the Company, notwithstanding that the money(ies) to be borrowed together with money(ies) already borrowed by the Company would exceed the aggregate of paid-up share capital, free reserves and securities premium of the Company, provided that the total amount upto which money(ies) borrowed by the Board of Directors of the Company at any time, including the temporary loans obtained from the Company's bankers in the ordinary course of business, shall not exceed ₹ 30,000 Crore (Rupees Thirty Thousand Crore only)."

Agenda No.9 – Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount not exceeding ₹ 4000 Crore, on private placement

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, Master Direction – Non Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI-HFC Directions, 2021), Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Foreign Exchange Management Act, 1999, Directions/Guidelines/Circulars issued by National Housing Bank or Reserve Bank of India or any other statutory/regulatory authorities from time to time, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, and in accordance with the provisions contained in the Memorandum & Articles of Association of the Company, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as `the Board' which term shall be deemed to include any Committee thereof) for issuance of redeemable, secured or unsecured Non-Convertible Debentures (NCDs)/bonds, and/or any other hybrid instruments (not in the nature of equity shares) which may or may not be classified as being Tier II capital under the provisions of the RBI-HFC Directions, 2021, subordinated debt in the nature of Tier II NCDs/bonds, onshore and/or offshore, denominated in Indian Rupees and/or any Foreign Currency, for cash, either at par or premium or at a discount to the face value, upto an amount not exceeding ₹ 4000 Crore (Rupees Four Thousand Crore only) under one or more information memorandum/shelf disclosure document, on private placement basis, in one or more series/ tranches, during the period of one year commencing from the date of this meeting until the conclusion of the next Annual General Meeting and on such terms and conditions as the Board may deem fit and appropriate for each series, as the case may be; provided however that the borrowings including by way of issue of NCDs and/or any other hybrid instruments shall be within the overall limit of borrowings as approved by the Members of the Company, from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company is hereby authorised to take decision(s) about the timing of the issue(s) of such securities including the above said Non- Convertible Debentures/bonds, number of securities, number of tranche(s)/series, to be issued under each such tranche/series, tenure, purpose, face value, issue size, method of issuance, security/charge creation, if any, coupon/interest rate(s), yield, listing, allotment, pricing of the issue, date(s) of opening and closing of the offers/ invitations for subscription of such securities, deemed date(s) of allotment, exercise 'PUT' and 'CALL' option, utilization of the issue proceeds, redemption, to select, appoint and finalize the remuneration of various agencies and all matters connected with or incidental thereto and all other terms and conditions relating to the issue of the said securities on private placement basis.

RESOLVED FURTHER THAT for the purpose of giving effect to these resolution(s), the Board is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary, in relation thereto.

RESOLVED FURTHER THAT the Board is hereby authorised to delegate all or any of the powers herein conferred to any Director(s)/ Committees and/or officers(s) of the Company, to give effect to the above resolution(s)."

Agenda No.10 – Further issue of shares by way of QIP not exceeding ₹ 1000 Crore

To consider and if thought fit, to pass with or without modification(s), the following resolution(s) as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder, the relevant provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India (SEBI) Act, 1992 and the rules and regulations made thereunder including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ["ICDR Regulations"], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"], the listing agreements entered into with the respective stock exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999 ("FEMA"), including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, the Foreign Exchange Management (Transfer or issue of any foreign security) Regulations, 2004 (including any amendment(s), modification(s), variation(s) or re-enactment(s) to the above laws), the provisions of the Memorandum of Association and Articles of Association of the Company and in accordance with any other applicable law, rules or regulations, in India or outside India, including without limitation, as amended, the Reserve Bank of India Master Directions on Foreign Investment in India as amended, and in accordance with such other rules, regulations, guidelines, notifications, circulars and clarifications issued/to be issued from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies ("ROC"), the Ministry of Corporate Affairs ("MCA"), National Housing Bank ("NHB"), BSE Limited and the National Stock Exchange of India Limited and such other statutory and regulatory authorities (hereinafter referred to as 'regulatory authorities'), from time to time, and to the extent applicable and subject to approvals, consents, permissions and/ or sanctions, if any required, from any statutory or regulatory authorities and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any Committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by these Resolutions), the consent, authority and approval of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot, such number of fully paid Equity Shares of the Company of face value of ₹ 2/- each (Rupees Two only) (the "Securities"), in one or more tranches, either in India or in the course of international offering(s) in one or more foreign markets, by way of Qualified Institutional Placement ("QIP") through issue of a placement document to Qualified Institutional Buyers ("QIBs") [as defined in the ICDR Regulations] in accordance with all the applicable laws, rules, regulations and guidelines whether or not such persons are Members of the Company, or by any other mode of further issue of specified securities or any combination thereof for an amount not exceeding in aggregate of ₹ 1000 Crore (Rupees One Thousand Crore only) or through foreign currency equivalent thereof, inclusive of such premium as may be fixed on such Securities at such time or times, through issue of prospectus, offer letter, offer document, offering circular, placement document or otherwise, in such manner and on such terms and conditions including at such price or prices (including floor price), at a discount or premium to market price or prices (as permitted under the applicable laws), etc., as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine the QIBs to whom to offer, issue and allotment shall be made to the exclusion of other QIBs at the time of such creation, offer, issue and allotment, all subject to applicable laws, considering the then prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or underwriter(s) and/or other advisor(s) for such issue.

RESOLVED FURTHER THAT the allotment of Securities, in case of QIP pursuant to Chapter VI of ICDR Regulations, shall be made only to the QIBs within the meaning prescribed under the said regulations and to be completed within 365 days from the date of passing of these Resolutions or such other time as may be permitted under the ICDR Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VI of ICDR. Regulations, as applicable and as may be amended from time to time, provided that the Board may, in accordance with applicable laws, offer a discount of not more than 5% (five percent) or such percentage as permitted under the applicable laws, with such lock-in requirements as provided under Chapter VI of ICDR Regulations, as applicable, as may be amended from time to time.

RESOLVED FURTHER THAT the "Relevant Date" for the purpose of pricing of the Equity Shares to be issued as per the above resolutions, shall be the date of the meeting in which the Board decides to open the proposed issue of such shares or such other dates as may be prescribed, subject to any relevant provisions of applicable laws, rules, regulations, etc. as amended, from time to time.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be listed on the Stock Exchanges, where the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or a Committee thereof be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final placement document(s), determining the type, form and manner of the issue, number of securities to be allotted, issue price, face value, discounts permitted under the applicable law (now or hereafter), premium amount on issue of the securities, if any, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, and to give instructions or directions or clarifications and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by SEBI, ROC, RBI, NHB or such other statutory & regulatory authorities, merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, scrutinizer, trustee, escrow agent or such other agents/agencies involved in or concerned with the issue of Securities and as the Board or Committee thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent, authority or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to these Resolutions may be exercised by the Board or Committee thereof, the Board has constituted or may constitute in this behalf, to the intent that the Members shall be deemed to have given their approval thereto expressly by the authority of these Resolutions, and all actions taken by the Board or any Committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board or Committee thereof be and is hereby authorized to engage/ appoint consultants, lead managers, managers, underwriters, authorised representatives, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such professionals, intermediaries and agencies as may be involved or concerned in such offerings of securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit and also to enter into and execute all such arrangements, agreements, memoranda, undertakings, placement agreements, underwriting agreements, deposit agreements, trust deeds, subscription agreements, payment and conversion agency agreements and any other agreements or documents with such agencies and to seek the listing of such securities on the stock exchange(s).

RESOLVED FURTHER THAT subject to the applicable laws, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Directors or any other officer(s) of the Company to give effect to the above resolutions.

By Order of the Board of Directors
For Can Fin Homes Ltd.

Sd/-
Veena G Kamath
AGM & Company Secretary

Place: Bengaluru
Date: July 31, 2021

NOTES:

1. In view of the continuing restrictions on the movement of persons at several places in the country due to Covid – 19 pandemic , the Ministry of Corporate Affairs (MCA) has vide General Circular nos. 14/2020, 17/2020, 20/2020 and 02/2021 and SEBI vide Circular no. SEBI/HO/CFD/CMD1/CIR/ P/2020/79 and SEBI/HO/CFD/CMD2/CIR/ P/2021/11 (hereinafter collectively referred to as "the Circulars") and pursuant to provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI-LODR") companies are allowed to hold Annual Geenral Meeting (AGM) through Video Conference (VC)/Other Audio Visual Means (OAVM) ("VC"), without the physical presence of Members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 17(11), 26(4) and 36(3) of SEBI-LODR setting out the material facts concerning agenda No.3 and 4 and special business under agenda Nos. 5 to 10 in the Notice, is annexed.

3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy, to attend and vote on his/her behalf, and such proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the Members will not be available and hence the Route map, Proxy Form and Attendance Slip are not annexed to this Notice.

   In case of joint holders attending/participating in the Meeting, only such joint holder who is higher in the order of names will be entitled to vote, provided the votes are not already cast by remote e-Voting by the first holder.

   The attendance of the Members participating in the AGM through VC will be recorded digitally. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.

4. The Members may note that the Board of Directors in their meeting held on April 30, 2021, has recommended a Dividend of ₹ 2/- per equity share of face value of ₹ 2/- each.

5. Pursuant to Regulation 42 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, **August 20, 2021 (Friday) is fixed as the 'Record Date'** for determining entitlement of the Members to a Dividend of ₹ 2/- per equity share of face value of ₹ 2/- each for the FY 2020–21

6. The dividend amounts will be paid subject to approval of the Members in the AGM. If approved, the Company will pay the Dividend amounts, within 10 days from the date of AGM to the Members, whose name appear in the Register of Members as at the close of business hours on August 20, 2021, Friday, subject to deduction of tax at source (TDS) in terms of Section 194 of the Income Tax Act, 1961. For further details on TDS please refer point no. 11.

   As per the Circulars and Green Initiative by MCA, payment of dividend shall be made through electronic mode to the Members who have updated their bank account details. For Members who have not updated their bank account details, dividend warrants/demand drafts/cheques will be sent out to their registered addresses, which may get delayed due to the pandemic situation. Shareholders are requested to update their Bank account details & KYC with their depositories (where the shares are held in dematerialised mode) and with the Company's RTA i.e. Canbank Computer Services Limited (CCSL) (where the shares are held in physical mode) to receive the dividend directly into their Bank Account.

7. In compliance with the Circulars, Notice of the AGM along with the Annual Report 2020–21 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/ RTA/Depositories. Members may note that the Notice and Annual Report 2020–21 will also be available on the Company's website www.canfinhomes.com, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com, respectively and on the website of NSDL www.evoting.nsdl.com.

8. All documents referred to in this Notice and other statutory registers like Register of Directors and Key Managerial Personnel and their shareholding (Section 170 of the Act), the Register of Contracts or Arrangements in which the Directors are interested (Section 189 of the Act) etc. maintained, will be available electronically for inspection by the Members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the Members from the date of circulation of this Notice up to the date of AGM, i.e. September 08, 2021. Members seeking to inspect such documents can send an email to investor.relationship@canfinhomes.com. The said documents would also be available online for inspection during the AGM at the NSDL e-Voting portal https://www.evoting.nsdl.com.

9. Pursuant to Regulations 26(4) and 36 of the SEBI-LODR, additional information/particulars, in respect of the directors seeking appointment/ re-appointment of directors and auditors at the AGM are furnished in

the explanatory statement forming part of this Notice. The directors and auditors have furnished consent(s)/ declaration(s) for their appointment/ re-appointment as required under the Companies Act, 2013 and related Rules and as per NHB/RBI Directions.

10. The Members desirous of obtaining information, if any, with regard to the audited annual accounts of the Company for the financial year 2020–21 or on any other related subject may write to the Company at e-mail IDs; accounts@canfinhomes.com or compsec@canfinhomes.com at least 15 days before the date fixed for the AGM, so that the information required could be kept ready.

11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to refer to the Finance Act, 2020 and amendments thereof and FAQ on Tax on Dividend at https://www.canfinhomes.com/pdf /FAQ-TAX-DIVIDEND.pdf. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). (Please refer point 16(i) below for updating PAN etc.)

    For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a declaration in Form No. 15G/15H/Tax exemption certificate, to avail the benefit of non- deduction of tax at source by e-mail to investor.relationship@canfinhomes.com by August 31, 2021. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a rate of 20%.

    For non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. For non-resident shareholders, the rate of TDS is 20% (plus applicable surcharge and cess) as per Income-Tax Act, 1961. However, where a non-resident shareholder is eligible to claim the tax treaty benefit and the tax rate provided in the respective tax treaty is beneficial to the shareholder, then the rate as per the tax treaty would be applied. In order to avail tax treaty benefits, non-resident shareholders would be required to submit Tax Residency Certificate for FY 2021–22, Form 10F as per the format specified under Income Tax Act, 1961, Copy of PAN Card attested, Self-declaration of beneficial ownership and not having a Permanent Establishment (PE) in India. The aforesaid declarations and documents need to be submitted by the shareholders by August 31, 2021.

12. The Board has appointed Shri S Kedarnath of M/s. S Kedarnath & Associates, Practicing Company Secretaries, as the Scrutinizer for ensuring e-Voting in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson of the Company ('the Chairperson') or to any other person authorized by the Chairperson (who shall countersign the same) after the completion of the scrutiny of the e-Voting (votes cast during the AGM and votes cast through remote e-Voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA and will also be displayed on the Company's website www.canfinhomes.com.

    The Company has availed the services of NSDL for arrangement of the AGM on VC to enable the Members to participate in the meeting in terms of the Circulars cited above. Also the Company has provided a facility to the members to exercise their rights to vote electronically through electronic voting service facility made available by NSDL.

13. Voting through electronic means (e-Voting):

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the Members to exercise their right to vote electronically through electronic voting (e-Voting) service facility provided/made available by the National Securities Depository Limited (NSDL). The facility for voting through electronic voting system will also be made available during the Annual General Meeting (AGM) and the Members who have not already cast their votes by remote e-Voting shall be able to exercise their right to vote during said AGM through e-Voting.

Members who have cast their votes by remote e-Voting prior to the AGM may attend the AGM on VC but shall not be allowed to vote again. The instructions for e-Voting are annexed to the Notice. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names will be entitled to vote. Since the AGM is being conducted through VC the said resolutions will not be voted on show of hands during the AGM in terms of Section 107 of the Companies Act, 2013.

The manner of voting remotely, by Members holding shares in dematerialized mode, physical mode and for Members who have not registered their email addresses, is provided in the instructions for e-Voting as below.

The instructions for remote e-Voting and joining AGM are as under:

i. **The remote e-Voting period** commences on **Saturday, September 4, 2021 (9:00 a.m. IST)** and **ends on Tuesday, September 7, 2021 (5:00 p.m. IST).** During this period, Members holding shares either in physical form or in dematerialized form, as on **Thursday, September 2, 2021 i.e. cut-off date**, may cast their vote electronically. The remote e-Voting module shall be disabled by NSDL for voting thereafter. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.

ii. **Process and manner for remote e-Voting** are explained herein below:

Step 1: Access to NSDL e-Voting system

Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system.

Step 1: Access to NSDL e-Voting system are mentioned below:

Pursuant to SEBI circular no. SEBI/HO/ CFD/CMD/ CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository participants.

Shareholders are advised to update their mobile number and e-mail ID with their DPs in order to access e-Voting facility.

I) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in DEMAT mode.

Type of shareholders	Login Method
Individual Shareholders holding securities in DEMAT mode with **NSDL**	**A. NSDL IDeAS facility** If you are already registered, follow the below steps: 1. Visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile.
	2. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under "IDeAS" section.
	3. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services.
	4. Click on "Access to e-Voting" appearing on the left-hand side under e-Voting services and you will be able to see e-Voting page.
	5. Click on options available against company name or e-Voting service provider – NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.
	If you are not registered, follow the below steps:
	1. Option to register is available at https://eservices.nsdl.com.
	2. Select "Register Online for IDeAS" Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
	Please follow steps given in points (1) to (5) above.
	B. e-Voting website of NSDL
	1. Open web browser by typing the following URL:https://www.evoting.nsdl.com/ either on a personal computer or on a mobile phone.
	2. Once the home page of e-Voting system is launched, click on the icon Login" which is available under 'Shareholder/Member' section.

Type of shareholders	Login Method
	3. A new screen will open. You will have to enter your User ID (i.e. your sixteen-digit DEMAT account number held with NSDL), Password / OTP and a Verification Code as shown on the screen. 4. After successful authentication, you will be redirected to NSDL website wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.
	C. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience. **NSDL Mobile App is available on** App Store Google Play
Individual Shareholders holding securities in DEMAT mode with **CDSL**	1. Existing users who have opted for Easi / Easiest, can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest is https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
	2. After successful login of Easi / Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of E-voting Service Provider i.e. NSDL portal. Click on NSDL to cast your vote.
	3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration. Alternatively, the user can directly access e-Voting page by providing DEMAT Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile and e-mail as recorded in the DEMAT Account. After successful authentication, user will be provided links for the respective E-voting Service Provider i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in DEMAT mode) **logging through their depository participants**	1. You can also login using the login credentials of your DEMAT account through your DP registered with NSDL / CDSL for e-Voting facility.
	2. Once logged-in, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/ CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
	3. Click on options available against company name or e-Voting service provider – NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting and e-Voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forgot User ID and Forgot Password option available at respective websites.

Helpdesk for Individual Shareholders holding securities in DEMAT mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 or 022–23058542–43

II) Login method for e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in DEMAT mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile.

2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under "Shareholders / Member" section.

3. A new screen will open. You will have to enter your User ID, your Password / OTP and a Verification Code as shown on the screen.

4. Alternatively, if you are registered for NSDL e-services i.e. IDeAS, you can log-in at https://eservices.nsdl.com/ with your existing IDeAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. cast your vote electronically.

5. Your User ID details are given below:

Manner of holding shares i.e. DEMAT /(NSDL or CDSL) or Physical	Your User ID is:
For Members who hold shares in DEMAT account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
For Members who hold shares in DEMAT account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12********** then your user ID is 12**********
For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example, if EVEN is 116695 and folio number is 001*** then user ID is 116695001***

6 Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you by NSDL. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i) If your e-mail ID is registered in your DEMAT account or with the company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL in your mailbox from evoting@nsdl.com. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8-digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii) In case you have not registered your e-mail address with the Company / Depository, please follow instructions mentioned below in this notice.

7. If you are unable to retrieve or have not received the 'initial password' or have forgotten your password:

a) Click on "Forgot User Details / Password?" (If you are holding shares in your DEMAT account with NSDL or CDSL) option available on www.evoting.nsdl.com.

b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your DEMAT account number / folio number, your PAN, your name and your registered address.

d) Members can also use the one-time password (OTP) based login for casting the votes on the e-Voting system of NSDL.

8. After entering your password, click on Agree to "Terms and Conditions" by selecting on the check box.

9. Now, you will have to click on "Login" button.

10. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join virtual meeting on NSDL e-Voting system are mentioned below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN 116695" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/ OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify / modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Member companies/Institutional Shareholders are required to send a certified copy of the Board or governing body Resolution/Authorisation letter etc., authorising their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorization with attested specimen signature of the duly authorized signatory/ies who are authorized to vote to the Scrutinizer by email canfinscrutinizer@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting website will be disabled upon five unsuccessful attempts to key-in the correct password.

   In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on https://www.evoting.nsdl.com to reset the password.

3. In case of any queries relating to e-Voting you may refer to the FAQs for Shareholders and e-Voting user manual for Shareholders available at the download section of https://www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Ms. Soni Singh at evoting@nsdl.co.in.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-Voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.relatioship@canfinhomes.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to investor.relatioship@canfinhomes.com. If you are an Individual shareholder holding securities in demat mode, you are requested to refer to the login method explained at step 1 (A) i.e. **Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**.

3. Alternatively shareholder/Members may send a request mail to evoting@nsdl.co.in for procuring user id and password for e-Voting by providing above mentioned documents.

The instructions for Members for e-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-Voting.

2. Only those Members/ shareholders, who will be present in the AGM through VC facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.

3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-Voting.

Instructions for Members for attending the AGM through VC are as under:

1. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for **Access to NSDL e-Voting system**. After successful login, you can see link of "VC/OAVM link" placed under "**Join General meeting**" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

2. Members are encouraged to join the Meeting through Laptops for better experience.

3. Further, Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ have questions may send their questions in advance mentioning their Name, DEMAT account number/ folio number, email id, mobile number at investor.relationship@canfinhomes.com. The same will be replied by the company suitably.

6. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a 'speaker' may send their request mentioning their name, DEMAT account number/folio number, email id, mobile number to investor.relationship@canfinhomes.com on or before September 02, 2021.

   Those shareholders who have registered themselves as a 'speaker' will only be allowed to express their views/ ask questions during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

7. Members who need assistance before or during the AGM, can contact NSDL on evoting@nsdl.co.in / 1800 1020 990 and 1800 22 44 30 or contact Ms. Soni Singh – NSDL at evoting@nsdl.co.in.

8. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he/she is already registered with NSDL for remote e-Voting then he/she can use his/her existing user ID and password for casting the vote.

9. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1500 Members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, Company Secretary, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

General Information:

14. Dematerialisation of shares: Considering the advantage of scripless trading, Members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience. For any assistance for opening demat account, the Members may contact the RTA Ph: 080 23469661/65 or vide e-mail to compsec@canfinhomes.com. Pursuant to the proviso to Reg.40 of SEBI (LODR) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed by the Company unless the securities are held in the dematerialized form with a depository.

15. Transfer of Unclaimed Dividend and shares to IEPF: Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the dividend declared for 2013–14 remaining unclaimed and unpaid as on July 31, 2021 are liable to be transferred to the Investor Education & Protection Fund (IEPF) since 7 years have lapsed. Reminder letters have been sent to all such shareholders as per the address registered with the Company/RTA. Members who have not encashed their dividend warrants for the financial years 2014–15 to 2019–20 are requested to approach the RTA of the Company at the earliest.

    Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 and amendments thereof and as per Rule 6 of the said Rules, during FY 2020–21, the Company has transferred the shares, in respect of which dividend amounts remained unclaimed or unpaid for 7 consecutive years by the shareholders i.e., upto 2012–13, to 'IEPF Demat Account' in accordance with the procedure prescribed. The Company had sent reminder letters dated June 02, 2021 to all the shareholders (1977 Nos.), who have not claimed their dividend amounts pertaining to 2013–14 for a consecutive period of 7 years and also issued newspaper notifications. The details are made available on the website of the Company in `Investors' page. The shareholders are requested to contact RTA and submit their KYC documents and comply with the formalities for claiming the said amounts. The unclaimed amount together with related shares are due to be transferred to IEPF by August 30, 2021.

16. Updation of E-mail address, Bank Account particulars, PAN etc.: The Company has been concerned about the environment and encourages the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India. Also in terms of the Circulars, Members holding the shares in physical mode, who have not registered/updated their email addresses and/or Bank Account particulars, PAN etc. with the Company, are requested to register /update the same in any of following manner and enable us to send the annual report etc., via e-mail and pay the Dividend through electronic mode (as mandatorily required as per SEBI Circular dated March 21, 2016)

    i) by clicking on https://www.canfinhomes.com/shareholder-request-detail.aspx and uploading the required documents or

    ii) by writing to the Company with details of Folio Number and attaching a self-attested copy of PAN card at investor.relationship@canfinhomes.com or to Canbank Computer Services Limited at naidu@ccsl.co.in or

    iii) by sending an SMS to the number '9971393333', mentioning 'INVESTOR<space>Folio Number <space>e- mail address'.

    iv) The forms (for physical) for furnishing Bank account particulars with the related IFSC Code, are made available on the website of the Company https://www. canfinhomes.com/pdf/ECS-mandate-Physical-Holding. pdf for download by the Members and submission to the Company or the RTA.

17. Members holding shares in dematerialised mode, who have not registered/updated their email addresses/ Bank account particulars with their Depository Participants, are requested to register/update their email addresses and mobile numbers with the Depository Participants with whom they maintain their demat accounts. The forms (for Demat) for furnishing Bank account particulars with the related IFS Code, are made available on the website of the Company https://www.canfinhomes.com/pdf/ECS-mandate-Demat-Account.pdf for download by the Members and submission to the DP.

18. Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic/ dematerialised form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company/RTA.

19. Nomination facility: Pursuant to Section 72 of the Companies Act, 2013, individual/ joint Members are entitled to register nomination in respect of the shares

held by them in Form No.SH-13 and send it to the RTA. The Nomination form is made available in the website of the Company https://www.canfinhomes.com/pdf/Nomination-Form-SH-13.pdf

20. Correspondence: Members are requested to address all correspondence, including for payment of unclaimed dividend, change of address, etc. to the Registrars and Share Transfer Agents (RTA) of the Company viz., M/s.Canbank Computer Services Ltd., R & T Centre, Unit: Can Fin Homes Ltd., J.P. Royale, I Floor, No.218, 2nd Main, Sampige Road (near 14th Cross), Malleshwaram, Bengaluru-560003; e-mail: naidu@ccsl.co.in;

ANNEXURE TO THE NOTICE

Explanatory Statement: [Pursuant to Section 102(1) of the Companies Act, 2013, Regulation 17(11) of the SEBI (LODR) Regulations, 2015 and additional information on appointment/re-appointment of directors and auditors as required under Regulation 36 of the said regulations and secretarial standards to the extent applicable].

The following explanatory statement sets out all material facts relating to the business mentioned under Items Nos. 3 to 10 of this Notice.

In respect of Agenda No.3 – Re-appointment of Shri Debashish Mukherjee as Director

Shri Debashish Mukherjee, Director, has been appointed as Director by the Members at the 33rd Annual General Meeting (AGM) of the Company held on August 26, 2020, liable to retire by rotation. In terms of section 152(6)(d) of the Act, Shri Debashish Mukherjee (Non-executive promoter director), being longest in the office since his last appointment, would be liable to retire by rotation at the ensuing 34th AGM of the Company and eligible to be re-appointed as a Director at the same meeting.

Agenda No.3 is an ordinary business. However, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, the following particulars relating to Shri Debashish Mukherjee (DIN 08193978), Director, are provided for the information of Members.

Shri Debashish Mukherjee, was appointed as an Additional Director (Non-executive Promoter) w.e.f. March 12, 2019 on the Board of the Company and he has been appointed by the Members as a Director at the 32nd Annual General Meeting held on July 17, 2019 and was re-appointed as Director by the Members at 33rd Annual General Meeting of the Company held on August 26, 2020. He is a Non-Executive Promoter Director of the Company.

Brief Profile of Shri Debashish Mukherjee, pursuant to SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is provided in the table below:

Name of the Director	**Shri Debashish Mukherjee**
Director Identification Number (DIN)	08193978
Age	56 years
Nationality	Indian
Date of first appointment on the Board	March 12, 2019
Qualification	Shri Mukherjee is a post graduate in Business Administration (MBA – Finance) from the University of Kolkata.
Brief profile & nature of expertise in specific functional areas	Shri Mukherjee started his career with Punjab National Bank as a Financial Analyst in scale II in 1994. He joined United Bank of India as an Asst. General Manager (Credit) in the year 2006. He worked in various capacities at Regional Offices, headed Corporate Finance Branch at Kolkata and was Regional Manager of Bihar Region. He has vast experience in Corporate Credit, Credit Monitoring and Recovery. He is an avid reader and has travelled extensively. Shri Debashish Mukherjee has taken charge as Executive Director of Canara Bank on February 19, 2018. He is overseeing the functions of Risk Management (including Capital planning), Financial Management and subsidiaries, MSME, Credit Administration & Monitoring, Stressed Assets Management and Recovery, Inspection, Treasury, International Operations & Corporate Customer Relations. He is currently a member on the Boards of two listed entities viz., Can Fin Homes Limited and Canara Bank. He is also a member on the Boards of the subsidiaries and/or Joint venture Companies viz., Canara Robeco Asset Management Company, Canara HSBC OBC Life Insurance Company, Canara Bank Securities Limited, Canbank Venture Capital Ltd. and a non-profit organization viz., Higher Education Financing Agency.

Name of the Director	Shri Debashish Mukherjee
Terms and conditions of Re-appointment & details of remuneration	Shri Debashish Mukherjee would be re-appointed as a director, liable to retire by rotation, at the 34th Annual General Meeting of the Company scheduled to be held on September 08, 2021. He is eligible for sitting fee of ₹ 30,000/- for attending a meeting of the Board and ₹ 20,000/- for Chairing the Meeting of Risk Management Committee and ₹15,000/- for attending the meetings of Audit Committee, Nomination Remuneration & HR Committee and Management Committee as a member. The sitting fee payable to Shri Debashish Mukherjee is liable to be paid to Canara Bank. He is also eligible to receive re-imbursement of expenses incurred towards travel, hotel and other incidental expenses incurred by him in the performance of his role and duties. The sitting fee will be reviewed and revised by the Board from time to time, within the ceiling limit prescribed under the Companies Act, 2013.
No. of meetings of the Board attended during the year	Attended 8 meetings during the FY 2021 out of 10 meetings held. For the remaining meetings leave of absence was granted.
Directorships, Trusteeships, Partnerships, etc. held in other companies, firms, trusts, entities, etc.	He is an Executive Director in Canara Bank, a listed entity and Director (Promoter Non-Executive) in your Company. He is a director in Canara Robeco Asset Management Co., Canara HSBC OBC Life Insurance Co., Canara Bank Securities Ltd., Canbank Venture Capital Ltd. and Higher Education Financing agency
Memberships/ Chairmanships of the committee of the Board of Directors of the Company /other Companies	He is the Chairman of Risk Management Committee and a member of the Audit Committee, Nomination Remuneration & HR Committee and Management Committee of the Board of your Company.
Number of shares held in the Company	As confirmed/declared by him, Shri Debashish Mukherjee is not holding any equity share in the Company (both own and held by/ for other persons on a beneficial basis) and has not availed any loan from the Company.
Disclosure of relationships between directors inter-se	None of the directors are related inter-se. No Director, other than Shri Shreekant M Bhandiwad (Dy. Managing Director and KMP of the Company upto April 27, 2021), General Manager, Canara Bank, Shri Venkata Prabhakar, MD and CEO of Canara Bank, Shri Amitabh Chatterjee (Dy. Managing Director and KMP of the Company w.e.f. July 15, 2021) Dy. General Manager, Canara Bank and no other key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said agenda.

He is not disqualified from being re-appointed as a director in terms of Section 164(2) of the Companies Act, 2013. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility.

Shri Debashish Mukherjee has confirmed that he continues to satisfy the fit and proper criteria as prescribed under RBI Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 (RBI-HFC Directions, 2021). He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority. Shri Debashish Mukherjee is committed to devote enough time that is required by the Company in order to fulfil his fiduciary responsibility towards various stakeholders.

The Nomination Remuneration & HR Committee at its meeting held on July 15, 2021 has determined that Shri Debashish Mukherjee continues to be a fit and proper candidate for re-appointment and his performance has been evaluated by the Independent Directors for the year ended March 31, 2021. Your directors are of the opinion that Shri Debashish Mukherjee fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, for re-appointment as a Director and his appointment as a Director would be in the best interest of the Company.

Consents, declarations etc., referred above would be available for inspection by the Members as mentioned in the notes to this Notice.

The Board of Directors at their meeting held on July 15, 2021 has recommended for re-appointment of Shri Debashish Mukherjee, as a Director, as proposed at Agenda No.3 (Ordinary Business) of the Notice.

In respect of Agenda No.4 – Appointment of Statutory Central Auditors

The Members of the Company at the 30th Annual General Meeting held on June 28, 2017 had approved the appointment

of M/s Varma & Varma, Chartered Accountants (ICAI Firm Registration No.004532S), as the Statutory Auditors of the Company for a period of 5 (five) years commencing from the conclusion of the 30th Annual General Meeting until conclusion of the 35th Annual General Meeting, subject to ratification by Members every year, as applicable.

Subsequently, the Reserve Bank of India ("RBI") has on April 27, 2021, issued the Guidelines for Appointment of Statutory Central Auditors (SCAs)/Statutory Auditors (SAs) of Commercial Banks (excluding RRBs), UCBs and NBFCs (including HFCs) ("RBI Guidelines"). The Guidelines intend to supersede the existing circulars/notification(s) on appointment of statutory auditors by Banks and NBFC. The Guidelines provide necessary instructions for appointment of SCAs/SAs, the number of auditors, their eligibility criteria, tenure and rotation as well as norms for ensuring the independence of auditors. A copy of the Policy for appointment of Statutory Central Auditors has been made available on the website of the Company.

In terms of the RBI Guidelines, the Statutory Auditors have to be appointed for a term of 3 years subject to the firms satisfying the eligibility norms each year. The RBI Guidelines are applicable for HFCs from the second half year of FY 2021-22. Accordingly, the tenure of the existing auditors M/s Varma & Varma, will come to an end on the conclusion of this 34th Annual General Meeting, whereat the Members are appointing the new Statutory Central Auditors for the Company.

In view of the above, as M/s Varma & Varma cannot continue beyond 30 September, 2021 as statutory auditors of the Company, they have communicated their intention to resign as statutory auditors of the Company.

Further as per the RBI Guidelines, the Company needs to have a minimum of two joint Statutory Central Auditors since the asset size of the Company is more than ₹ 15,000 crore.

In terms of the RBI Guidelines and the Company's Policy for appointment of SCAs, after following the due procedure, the Audit Committee has shortlisted two Audit Firms viz., M/s. B Srinivasa Rao & Co., Chartered Accountants (Registration No.: 008763S) and M/s. B K Ramadhyani & Co. LLP, Chartered Accountants (Registration No.: 002878S/S200021), as joint Statutory Central Auditors and recommended to the Board. Accordingly, the Board recommends for appointment of M/s. B Srinivasa Rao & Co. and M/s. B K Ramadhyani & Co. Chartered Accountants as Joint statutory central auditors of the Company.

Disclosure Under Regulation 36(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Proposed statutory audit fee payable to auditors	Upto ₹ 30 Lakh (approx.). Statutory audit fees for the period ending March 31, 2022 in aggregate for both the statutory central auditors of the Company will be decided by the Board of Directors including any committee thereof, as authorised by the Members.
Terms of appointment	M/s. B Srinivasa Rao & Co., and M/s. B K Ramadhyani & Co. LLP, are recommended for appointment for a term of three years from the conclusion of the 34th Annual General Meeting until the conclusion of the 37th Annual General Meeting of the Company.
Material change in fee payable	No material change in fee for the proposed auditors. Outgoing auditors were paid a statutory audit fees ₹ 21.10 Lakh for FY 21.
Basis of recommendation and auditors' credentials	The recommendations are based on the fulfilment of the eligibility criteria prescribed by RBI guidelines and the Companies Act, 2013 with regard to the fulltime partners, statutory and branch audit experience of the firms, CISA/ISA qualification, No. of professional staff, assessment of criteria of independence, additional considerations as per Company's policy, etc. M/s. B Srinivasa Rao & Co., Chartered Accountants M/s. B Srinivasa Rao & Co., Chartered Accountants (Registration No.: 008763S), ("the Audit Firm"), was established in 1999 providing various audit and advisory services. The Audit Firm is a partnership firm incorporated in India. The firm has more than 80 audit staff and 10 audit partners in India. The Audit Firm has valid Peer Review certificate and is primarily engaged in providing audit and assurance services to its clients in various sectors including NBFCs and banks. M/s. B K Ramadhyani & Co. LLP, Chartered Accountants M/s. B K Ramadhyani & Co. LLP, Chartered Accountants (Registration No.: 002878S/S200021), ("the Audit Firm"), was established in 1958 providing various audit and advisory services. The audit firm is a Limited Liability Partnership firm (LLP), incorporated in India. The firm has experience for over six decades in various sectors including NBFCs and Banks. The firm has 7 partners and more than 70 audit staff. The Audit Firm has valid Peer Review certificate.

Accordingly, the approval of the Members of the Company is requested pursuant to Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 and the relevant Rules thereunder and guidelines issued by the RBI including any amendments, modifications, variations or re-enactments thereof, to appoint M/s. B Srinivasa Rao & Co., Chartered Accountants (Registration No.: 008763S) and M/s. B K Ramadhyani & Co. LLP, Chartered Accountants (Registration No.: 002878S/S200021), as joint Statutory Central Auditors of the Company, with the terms and conditions of appointment mentioned above, including authorisation to the Board for determining the overall audit fee payable to the Statutory Central Auditors.

The Members are also requested to authorize the Board of Directors or any other person(s) authorised by the Board or the Audit Committee to do all such acts, deeds, matters and things that are necessary for the purpose of settling all questions, difficulties or doubts that may arise in regard to implementation of the resolution including but not limited to determination of roles and responsibilities/ scope of work of the respective joint Statutory Central Auditors, negotiating, finalising, the terms of appointment including any contracts or documents in this regard, without being required to seek any further consent or approval of the Members of the Company. Further, the Members are also requested to authorize the Board of Directors to appoint any person(s) qualified for appointment as Branch Auditors of the Company under Section 141 and all other applicable provisions of the Companies Act, 2013, and to finalise or determine the tenure and such terms and conditions, including remuneration and out-of pocket expenses and applicable taxes, within the purview of the applicable law, as may be mutually agreed between the Company and the said Statutory Auditors, depending upon their respective scope of work.

A special notice for moving Agenda no. 4, as required under Section 140(4) of the Companies Act, 2013, has also been received.

The Board of Directors recommends the appointment of the selected Audit Firm/LLP as the Company's Statutory Central Auditors based on a review of their profile, experience and specialization, as per Agenda No.4 of the accompanying Notice.

In respect of Agenda No.5 – Appointment of Shri Amitabh Chatterjee as a Director and Whole- time Director

Shri Amitabh Chatterjee (DIN:09219651) has been appointed as an additional director and the Whole-time Director (designated as Deputy Managing Director) of the Company with effect from July 15, 2021, on the recommendations of the Nomination Remuneration & HR Committee of the Board.

As required under provisions of the Companies Act, 2013 and related rules and also under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all the relevant information relating to Shri Amitabh Chatterjee, are provided in this explanatory statement.

Considering the profile and experience of Shri Amitabh Chatterjee, Deputy General Manager, Canara Bank and recommendations of the Nomination Remuneration & HR Committee, the Board of Directors of your Company has appointed Shri Amitabh Chatterjee as an additional director and the Whole-time Director of the Company, with effect from July 15, 2021 for a tenure of three years and subject to further extension in the period of service, if any, by Canara Bank, at such remuneration, as detailed in the terms and conditions of deputation received from Canara Bank, in terms of the applicable Articles of the Articles of Association of the Company and Section 152, 161, 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, related rules, read with Schedule V to the said Act.

Brief Profile of Shri Amitabh Chatterjee pursuant to SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is provided in the table below:

Name of the Director	Shri Amitabh Chatterjee
Director Identification Number (DIN)	09219651
Age	50 years
Nationality	Indian
Date of first appointment on the Board	July 15, 2021
Qualification	Shri Amitabh Chatterjee has a Master Degree in Business Administration, Bachelor Degree in Science, CAIIB (Certified Associate of Indian Institute of Banking and Finance) and has done Diploma in Treasury, Investment and Risk Management.

Name of the Director	Shri Amitabh Chatterjee
Brief profile	Shri Amitabh Chatterjee started his career as an Officer in Canara Bank in the year 1995. Shri Amitabh Chatterjee is a senior banker with over 26 years of commercial banking experience having served in different geographical regions of the Country. During his service in the Bank, he has headed different branches including specialized branches like Overseas branches, Prime Corporate Branch and also headed a Regional Office of the Bank. Prior to his posting to the Company he was holding the position of Deputy General Manager, Prime Corporate Branch, Canara Bank. Prior to that he was heading the Regional Office-I (Kolkata) of the Bank.
Terms and conditions of appointment	The terms and conditions of his appointment as the Whole-time Director are mentioned below and would be available for inspection electronically.
No. of meetings of the Board attended during the year	Shri Amitabh Chatterjee has been appointed as a director in the current financial year i.e., on July 15, 2021. He has attended all the meetings subsequent to his appointment.
Directorships, Trusteeships, Partnerships, etc. held in other companies, firms, trusts, entities etc.	He is a DGM in Canara Bank, a listed entity and Director (Promoter Executive) in your Company.
Memberships/ Chairmanships of the committee of the Board of Directors of the Company	He is the member of Corporate Social Responsibility Committee, Risk Management Committee, Management Committee and IT Strategy Committee of the Board of your Company.
Memberships/ Chairmanships of Committees of the Boards of other Companies	Nil
Number of shares held in the Company	As confirmed/declared by Shri Amitabh Chatterjee, he is not holding any equity share in the Company (both own and held by/ for other persons on a beneficial basis) and has not availed any loan from the Company.
Disclosure of relationships between directors inter-se	None of the directors are related inter-se. No Director, other than Shri Venkata Prabhakar (Managing Director & CEO, Canara Bank) and Shri Debashish Mukherjee (Executive Director, Canara Bank), or any key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said agenda.
Details of remuneration sought to be paid, if any	Mentioned below.

Your Company has received a notice in writing from a member as required under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013, signifying their intention to propose the candidature of Shri Amitabh Chatterjee, for the office of a director of the Company, to be appointed as such at the ensuing Annual General Meeting, under the provisions of Section 152, 161, 196, 197, 198, 203 and all other applicable provisions of the Companies Act, 2013. Shri Chatterjee is willing to act as a Director and the Whole-time Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act and Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014.

The terms and conditions of appointment and the remuneration payable to Shri Chatterjee as Whole-time Director are given below:

Tenure – 3 years; Remuneration: Basic Pay – ₹ 1,16,120 per month; Dearness Allowance – Variable; Dearness Allowance [as per index level]; Special Allowance – 20% of Basic Pay + DA; City Compensatory Allowance – ₹ 1400/- per month; Professional Qualification Allowance- ₹ 1020/- per month; Learning Allowance- ₹ 600/- ; Deputation Allowance – 4% of Basic Pay subject to maximum of ₹ 3000/- per month; House Rent Allowance – As per norms;

Perquisites:

Accommodation – If the executive having his own house at the place of deputation he should occupy the same else he is eligible for bank's quarters. If the executive has already occupied bank's quarters he is not eligible for house rent allowance;

Eligible for Residential Telephone, Office Car & Driver; Other allowances/facilities: Medical Advances – ₹12,300/- per annum;

He is also eligible to receive performance-based incentive as per the schemes approved by the Board of the Company from time to time.

Leave Fare Concession - In a block of 4 years once to native place / place of domicile in the sub block of 2 years by the shortest route and once to any place in India in the II sub block of two years by the shortest route;

Encashment of LFC facility: An officer by exercising an option any time during a four years block/ two years block as the case may be, surrender and encash his/her LFC [other than travel to place of domicile] upon which he/ she shall be entitled to receive an amount equivalent to 100% of the eligible fare for the class of travel by train to which he is entitled upto a distance of 5500 kms [one way] for officers in SMG IV & above. The permissible amount of encashment of leave fare concession as per the entitlement as at the prevailing railway fares. Such encashment amount is taxable as per IT rules. Upto 30 days of PL can be encashed once in a period of 4 years while availing LFC.;

Leave - Casual Leave: 12 days in a calendar year; Privilege Leave: At the rate of one day for 11 working days — max accumulation is restricted to 270 days; Sick Leave: 30 days leave on half pay or 15 days on full pay as sick leave per year, maximum 540 days on half pay additional sick leave: maximum 90 days on half pay;

Contribution to Provident Fund- 10% of the Basic Pay & increment component of FPP & PQP.;

On repatriation:

Leave Salary corresponding to the leave earned during the period of deputation but not availed shall be payable to the bank;

Gratuity on prorata basis for the period of deputation is payable to the bank;

Club Membership & Reimbursement towards Newspaper Payable as per bank rules;

During the period of deputation he shall be governed by the provisions of Canara Bank [Officers] Service Regulations, 1979 and Canara Bank Officer Employees' [Discipline and Appeal] Regulation 1976 and Canara Bank Officer Employees [Conduct] Regulations, 1976.

On repatriation, the deputed organisation shall pay the leave salary, bank's contribution of SPF during the period of deputation and gratuity on prorata basis payable for the period of deputation, to the Bank.

Shri Amitabh Chatterjee is eligible to receive the above remuneration, allowances etc., as per the service regulations of Canara Bank including revision on account of promotion etc., that may take place from time to time.

He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such appointment.

In terms of the applicable provisions of the Companies Act, 2013 and rules made thereunder, Shri Amitabh Chatterjee being eligible, is proposed to be appointed as a Director and a Whole-time Director w.e.f. July 15, 2021 and to hold office for a tenure of 3 years and subject to further extension in the period of service, if any, by Canara Bank, subject to approval by the Members at the 34th Annual General Meeting of the Company.

Your directors are of the opinion that Shri Amitabh Chatterjee fulfils the conditions specified in the Companies Act, 2013 for such appointment and his appointment as the Whole-time Director (Dy. Managing Director) would be in the best interest of the Company.

Your Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.5 of the Notice.

All the registers and files relating to Shri Amitabh Chatterjee, Dy. Managing Director, are available for inspection without any fee by the Members at the Registered Office of the Company during normal business hours on any working day.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and he shall be appointed as a Director by the Members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.6- Appointment of Shri Ajai Kumar as an Independent Director

The Board of Directors of the Company has appointed Shri Ajai Kumar (DIN- 02446976), on the Board of the Company with effect from July 31, 2021 as an additional director and as an Independent Director pursuant to Section 161, 149, 152 and all other applicable provisions of the Companies Act, 2013, on the recommendations of the Nomination Remuneration and HR Committee of the Board. In terms of Section 161 of the Companies Act, 2013, Shri Ajai Kumar holds office as an additional director only up to the date of the ensuing Annual General Meeting.

In terms of Section 160 and all other applicable provisions of the Companies Act, 2013, your Company has received a notice in writing from a member signifying their intention to propose the candidature of Shri Ajai Kumar for appointment as an Independent Director of the Company at the ensuing Annual General Meeting. Shri Ajai Kumar is willing to act as an Independent Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act.

Brief Profile of Shri Ajai Kumar, Independent Director pursuant to SS-2 ("Secretarial Standard on General Meetings"), Regulation 36(3) of the SEBI Listing Regulations and other applicable provisions, is provided in the table below:

Name of the Director	Shri Ajai Kumar
Director Identification Number (DIN)	02446976
Age	68 years
Nationality	Indian
Date of first appointment on the Board	July 31, 2021
Qualification	Shri Ajai Kumar, is a Master Degree holder in Physics, Bachelor degree in Science and a law graduate and has CAIIB certification.
Brief profile	He has over 40 years of experience in Public Sector Banking industry holding eminent position in India and overseas (New York USA). He has acquired multi-dimensional experience in the field of global and domestic banking operation, Risk Management, Treasury, Investment and Money Marketing Operations, Human Resources Management, Business process re-engineering, Retail Banking Operations, Project Management and Banking Information Technology. Shri Ajai Kumar's past engagements include appointment as Chairman & Managing Director-Corporation Bank, Managing Director & CEO (interim)-Yes Bank Ltd, Executive Director-UCO Bank, General Manager-Bank of Baroda (Retail Banking), General Manager, Bank of Baroda (IT & Projects) for Technology Enabled Business Transformation Program, Member-Governing Council, IDRBT-RBI Hyderabad, Non-Executive Director, National Payment Corporation of India, Non-Executive Director-Indo Zambia Bank Ltd., a Joint Venture of Bank of Baroda, Bank of India, Central Bank of India & Govt. of Zambia, Non-Executive Non-Independent Director, Yes Bank Ltd, Independent Director-Nuclear Power Corporation of India Ltd, Non-Executive Director-Multi Commodity Exchange of India Ltd, Non-Executive Director-Metropolitan Stock Exchange of India Ltd, Independent Director Kash Guru Financial Solutions Pvt Ltd, Independent Director-Poddar Wellness Ltd, Non-Executive Director-Bharat Wire Ropes Ltd, Non-Executive Director-Bank of Baroda Kshetriya Gramin Bank, Ajmer, Independent External Monitor-Bharat Earth Movers Ltd. Bangalore, Independent External Monitor-National Fertilizers Ltd, New Delhi, Independent External Monitor-IDBI Bank-Member-Management Committee, Indian Banking Association, Chairman of the Sub-Committee of Indian Banks Association on the matter of "Unsold Flats of Developers and Builders".
Terms and conditions of appointment	The draft terms and conditions of his appointment as Independent Director are mentioned below and would be available for inspection electronically and the same is available on the website of the Company at www.canfinhomes.com
No. of meetings of the Board attended during the year	Shri Ajai Kumar has been appointed as an additional director in the current financial year i.e., on July 31, 2021. The proposal for his appointment as an Independent Director is placed before the ensuing Annual General Meeting.
Directorships, Trusteeships, Partnerships, etc. held in other companies, firms, trusts, entities etc.	Shri Ajai Kumar is presently on the Boards of Amar Ujala Limited, Nuclear Power Corporation of India Limited, Adani Krishnapatnam Port Limited, National Co-Operative Finance & Development Corporation Limited, Indiabulls Asset Management Company Limited, Metropolitan Stock Exchange of India Limited and Indiabulls General Insurance Limited as Independent Director.
Memberships/ Chairmanships of the committee of the Board of Directors of the Company	He is not a member of any Committees of the Board.
Memberships/ Chairmanships of Committees of the Boards of other Companies	Nil (Memberships/ Chairmanships in unlisted Companies are not considered.)

Name of the Director	Shri Ajai Kumar
Number of shares held in the Company	As declared/confirmed by Shri Ajai Kumar, he is not holding any equity share in the Company (both own and held by/ for other persons on a beneficial basis) and has not availed any loan from the Company.
Disclosure of relationships between directors inter-se	None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said agenda.
Details of remuneration sought to be paid, if any	Shri Ajai Kumar is eligible to receive sitting fee for attending the meetings of the Board (presently ₹ 30,000/- per meeting) and if he becomes the member of any Board Committee(s), he will be eligible for a sitting fee of ₹ 15,000/- per meeting. Additional chairing fee of ₹ 5000/- for the Chairperson of the Board and Committees, if any, will be paid. The sitting fee will be reviewed and revised by the Board from time to time, within the ceiling limit prescribed under the Companies Act, 2013. He is also eligible to receive re-imbursement of expenses incurred towards travel, hotel and other incidental expenses incurred by the director in the performance of their role and duties.
Justification for choosing the appointee for appointment	In the opinion of the Board, Shri Ajai Kumar possesses appropriate skills, experience & knowledge and fulfils the conditions for appointment as Independent Director as specified in the Act and the SEBI Listing Regulations and that he is independent of the management of the Company.

In terms of Regulation 25(8) of the SEBI Listing Regulations, he has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. In the opinion of the Board, he fulfils the condition specified in the Act, Rules framed thereunder and the SEBI Listing Regulations, for being appointed as an Independent Director.

He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Shri Ajai Kumar, by the Company, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such appointment. He has also submitted a declaration to that effect that he meets the criteria of independence as provided in Section 149(6) of the Act and confirmed that he continues to satisfy the fit and proper criteria as prescribed and the Deed of covenants as required under the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021. He has also confirmed that he is not debarred from holding the office of director by virtue of any order by SEBI or any other authority. He has also submitted the Notice of interest in terms of Section 184 of the Companies Act, 2013 (Form MBP-1).

Shri Ajai Kumar has also complied with the requirements under Rule 6 of the Companies (Appointment and qualifications) Rules, 2014.

Considering the knowledge, profile, expertise, vast and varied experience, criteria of independence and fit and proper criteria, the Nomination Remuneration and HR Committee in its meeting held on July 31, 2021 had recommended for appointment of Shri Ajai Kumar as an Independent Director and the Board at its meeting held on the same day, has appointed him as an Additional Director (Independent) and has now placed the proposal before the Members with its recommendations.

Your directors are of the opinion that Shri Ajai Kumar fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021 for appointment as an Independent Director and his appointment as an Independent Director would be in the best interest of the Company.

The draft letter of appointment of an independent director setting out the terms and conditions is available on the website of the Company. Consents, declarations etc., referred above would be available for inspection by the Members as mentioned in the notes to this Notice.

In terms of Sec.149, 150, 152 and other applicable provisions of the Companies Act, 2013 and related rules made thereunder, Shri Ajai Kumar, being eligible, is proposed to be appointed as an Independent Director from this Annual General Meeting until the conclusion of the Annual General Meeting of the Company

of the year 2024. The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.6 of the Notice.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and he shall be appointed as a Director by the Members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.7: Acceptance of deposits from public

The Company has been accepting deposits from the public since inception. With the business operations of the Company growing, Company's requirements for additional funds are increasing. The Company intends to continue to accept deposits from the public in terms of section 73(2) and 76 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, as amended from time to time and to the extent applicable. The Company is exempt from applicability of the provisions under the Companies (Acceptance of Deposits) Rules, 2014 for the purpose of acceptance of deposits from public since your Company is a Housing Finance Company registered with National Housing Bank (NHB).

Your Company being a Housing Finance Company registered with NHB, has been following the Directions/guidelines issued by the NHB/RBI from time to time with regard to acceptance and renewal of deposits. The Master Direction–Non-Banking Financial Company–Housing Finance Company (Reserve Bank) Directions, 2021 were issued by RBI on February 17, 2021.

Regarding the quantum of deposits that can be accepted, your Company is bound by Para 27.1 under Chapter VII (Acceptance of Public Deposits) of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, according to which the Company can accept deposits not exceeding 3 (three) times of our net owned fund (NOF) as per the last audited balance sheet (Notification No. NHB.HF 22/ MD&CE0/2019 dated June 17, 2019) or such other limits prescribed by NHB/RBI from time to time. The NOF of the Company as on March 31, 2021 (as per the definition given in Master Directions) is ₹ 2583.18 Crore (net of dividend payout) and the outstanding deposits as on the said date was ₹ 442.47 Crore.

In order to be eligible for accepting deposits from the public in terms of section 73(2) of the Companies Act, 2013, the Company is seeking the prior consent of the Members by way of an ordinary resolution, subject to the condition that the amount accepted in the form of deposits from public together with the existing borrowings and future borrowings would be within the limits specified by the Members under section 180(1)(c) of the Companies Act, 2013. The consent so obtained shall be effective and valid until altered, modified or rescinded in future.

All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company. No Director(s) or any Key Managerial Personnel or the relative(s) of the director(s) or Key Managerial Personnel, is in any way concerned or interested, financially or otherwise, in the said agenda. The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.7 of the Notice.

In terms of the Master Direction – Non-Banking Financial Company – Housing Finance Company (Reserve Bank) Directions, 2021, the terms and conditions of acceptance of Deposit issued by way of Annual Deposit Advertisement during the previous year is valid only upto the date of this Annual General Meeting. The Company has to obtain prior consent of the Members before acceptance of deposits and publish a fresh Annual Deposit advertisement with the terms of conditions for acceptance of public deposits on the next day of the Annual General Meeting. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.8 – To borrow amounts not exceeding ₹ 30,000 Crore

At the 33rd Annual General Meeting (AGM) of the Company held on August 26, 2020, the shareholders have accorded consent u/s.180(1)(c) and all other applicable provisions, if any, of the Companies Act 2013, by way of a special resolution, to the Board of Directors of the Company for borrowing money(ies) in excess of the aggregate of the paid up capital and free reserves of the Company upto a sum of ₹ 27,500 Crore (including temporary loans obtained from the Company's Bankers in the ordinary course of business). At the 28th Annual General Meeting held on July 08, 2015, the shareholders have authorised the Board of Directors of the Company u/s. 180(1)(a) to create security to the extent of the borrowing limits approved by the Members from time to time.

The total borrowings of the Company as on March 31, 2021 was ₹ 19,293 Crore. As per NHB/RBI Master directions, for the financial year ended March 31, 2022, the maximum amount that the Company can borrow shall not exceed 12 times of the net owned funds as per the last audited balance sheet. As on March 31, 2021, the NOF was ₹ 2,583 Crore (net of Dividend payout) and hence our borrowing limit shall not exceed ₹ 30,996 Crore at the end of the year 2021–22. The Borrowing Power of ₹ 30,000 Crore sought by the Company will be valid till the outstanding borrowing of the Company reaches the

limit approved at this AGM. Though the approved limit is higher than the projected book size i.e., ₹ 26,000 Crore for FY22, the limits will be availed by the Company only based on the actual requirement. However, a higher limit will help the Company to approach various Banks/ Institutions and have sufficient cost-effective funds at our disposal.

In view of the above, it is considered desirable to increase the Company's existing borrowing limit from ₹ 27,500 Crore to ₹ 30,000 Crore. In order to comply with the requirements under Section 180(1)(c) of the Companies Act, 2013, consent of the Members is sought through the resolution(s) proposed at Agenda No.8 by way of special resolution to enable the Board of Directors of the Company to borrow money(ies) upto a sum of ₹ 30,000 Crore (Rupees Thirty Thousand Crore) only, including the temporary loans obtained from Company's Bankers in the ordinary course of business. Accordingly, the aggregate amounts borrowed, which are outstanding at a given point of time shall not exceed the limit of ₹ 30,000/- Crore as recommended by the Board to the Members for their consent.

The borrowings of the Company include term loans, overdraft facilities, issue of non-convertible debentures, commercial papers, acceptance of deposits from public, etc. All the related documents and registers referred to in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolution, except for borrowings, if any, from Canara Bank, in which case Shri Venkata Prabhakar (MD and CEO of Canara Bank), Shri Debashish Mukherjee (Executive Director of Canara Bank) and Shri Amitabh Chatterjee (Dy. General Manager, Canara Bank) shall be deemed to be the interested directors.

The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.8 of the Notice.

As the Company is a housing finance institution and its main business is providing loans, borrowing through various sources is inevitable. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.9 – Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount not exceeding ₹ 4000 Crore, on private placement

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures by way of private placement. Further, in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. In case of an offer or invitation for subscription to the Non-Convertible Debentures (NCDs), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

At the 33rd AGM of the Company held on August 26, 2020 approval of the Members of the Company was obtained for authorising the Board of Directors of the Company to Offer or Invite for subscription of 'Non-Convertible Debentures (NCDs)' upto an amount of ₹ 4000 Crore only, on private placement basis, in one or more tranches, during the period of one year commencing from the said AGM until the conclusion of the ensuing AGM.

During FY21, the coupon rates for NCD's were very high compared to the rates offered by the Banks for term loans and discounted rates for Commercial Papers. During the year 2020-21 (subsequent to 33rd AGM – August 26, 2020), the Company has issued 6.25% SRNCD 2020 Series 1 secured debenture of ₹ 275 crore on December 24, 2020. The SRNCD outstanding as on March 31, 2021 was ₹ 1440.43 Crore, which works out to 7.26% of the total borrowings.

Now, since the Ministry of Finance has come out with various beneficial schemes for NBFCs/ HFCs like TLTRO 2.0, to address liquidity-related stress points and structural issues, and Banks are showing interest in investing in NCDs/Bonds issued by good NBFCs/ HFCs, there is scope for raising NCDs during the Current Financial Year. As per SEBI Circular SEBI/HO/DDHS/CIR/P2018/144 dated November 26, 2018, SEBI has prescribed to raise one fourth (1/4) of incremental borrowings in a given financial year from debt market, which came into effect from April 01, 2019.

Keeping in view the above, volume of business of the Company, alternative sources of funds and cost of each of such source, and subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the said Act, Directions/Guidelines by the Regulators like NHB, RBI, SEBI, etc. or any other statutory authorities issued from time to time, your Company intends to offer or invite subscription of bonds or NCDs or tier II bonds, onshore and/or offshore, denominated in Indian Rupees and/or any foreign currency, for cash either at par or premium or at a discount to face value,

issuance of Redeemable Non- Convertible Debentures (NCDs), secured or unsecured, such other securities described above upto an amount of ₹ 4,000 Crore (Rupees Four Thousand Crore only), on private placement basis for a period of one year from the conclusion of the 34th AGM until the conclusion of the next AGM, in one or more tranches, subject to the condition that the amount accepted in the form of the said Non-Convertible Debentures / Bonds / such other securities together with the existing borrowings and future borrowings would be within the limits specified by the Members under section 180(1)(c) of Companies Act, 2013.

The terms of issue of such NCDs would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the Board or the Committee, if any constituted by the Board. All the required details/ disclosures relating to the issue would be made available in the standard/shelf disclosure document or respective information memorandum, as the case may be.

In order to issue Non-Convertible Debentures/bonds as per the proposed resolutions by way of an offer or invitation for subscription on private placement and in terms of the above-mentioned provisions of the Companies Act, 2013, as amended from time to time and related rules, subject to Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, the prior consent of the Members is sought by way of a Special Resolution. All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolutions. The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.9 of the Notice.

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation for subscription to the Non-Convertible Debentures (NCDs), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.10 – Further issue of shares by way of QIP not exceeding ₹ 1000 Crore

The Company focuses on four key parameters viz., growth, asset quality, liquidity and profitability. The Company expects that the market may open up and there is a scope for growth and the Company should be future-ready when the growth picks up/ opportunity opens up. The expected growth rate necessitates infusion of fresh capital to build in adequate cushion in the borrowing capacity of the Company for next 3–4 years and to keep the Leverage Ratio at comfortable levels. There is a need to improve the leverage ratio considering the growth potential to be tapped.

At the 33rd AGM of the Company held on August 26, 2020 approval of the Members of the Company was obtained for authorizing the Board of Directors of the Company for raising Tier I Capital – By way of issue of Qualified Institutional Placement (QIP) and/ or Preferential shares to promoters and/or by any other mode of further issue of specified securities. Since the growth did not pick-up as expected during 2020–21 and the Company continued to deliver a better ROE, additional internal accruals had kept the CAR as well as leverage ratio at comfortable levels. Hence, the Company did not raise any capital during 2020–21, though approval was taken from the Members.

Government of India and the Reserve Bank of India have taken several measures to revive the economy in general and Housing sector in particular, including the `Housing for all' initiative by 2022. RBI came out with relief and welfare measure of injecting ₹ 30,000 crore liquidity facility for NBFCs/HFCs and ₹ 45,000 crore partial credit guarantee scheme 2.0 for NBFCs, to boost the economy.

As per the Business Plan of the Company for 2020–21, ₹ 26,000 crore has been projected as outstanding loan book as on March 31, 2022.

The Capital Adequacy Ratio of the Company as on March 31, 2021 was at 25.46% which was well above the regulatory requirement of 15%. However, the Leverage Ratio was expected to remain around 8% over a period of time. The CAR was also expected to deplete faster as growth picks up. Generally, lender /banks the comfortable with DEP around 7–8% and hence, there is a need to infuse Tier-1 capital so that growth does not suffer.

In the light of the above, it is anticipated that there will be a gradual revival and the demand for housing, particularly due to reduction in property prices and reduction in ROI. Further, as observed from recent trends, the growth is expected to gain momentum in Quarter 3 and Quarter 4 of FY 21–22. In view of Company's overall growth, we propose to issue Tier I Capital upto ₹ 1000 crores. This is mainly to keep the Leverage Ratio at an optimum level and to ensure availability of funds at competitive rate.

Considering the cost, benefit, requirement of time etc., with reference to each of the alternative modes of raising funds to improve the Leverage Ratio of the Company, the Board has now recommended to raise funds not exceeding ₹ 1,000 Crore through QIP mode.

This special resolution seeks to empower the Board to create, issue, offer and allot either in India or in the course of international offerings in one or more foreign markets, Equity Shares of the Company of face value of ₹ 2/- each, in one or more tranches through a private offering pursuant to a Qualified Institutional Placement ("QIP") by the issue of a placement document to Qualified Institutional Buyers in terms of the SEBI (ICDR) Regulations, for an amount not exceeding an aggregate of ₹1000 Crore (Rupees One Thousand Crores only), inclusive of such premium at such price(s) and on such terms and conditions as may be deemed appropriate by the Board (which term shall be deemed to include any Committee thereof which the Board may constitute/have constituted) at its absolute discretion.

The Board shall issue Securities pursuant to this special resolution and utilize the proceeds for business purposes, including but not limited to meet capital expenditure and working capital requirements of the Company, repayment of debt, exploring acquisition opportunities and general corporate purposes. The special resolution seeks to empower the Board to issue the specified securities through issue of prospectus and/or placement document/or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers ("QIBs") or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investor other than individuals, corporate bodies and family offices, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not (collectively called the "Investors") as may be decided by the Board.

The special resolution also seeks to empower the Board to offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as may be determined by the Board. As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be Members of the Company, consent of the Members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the SEBI ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of QIP, allotment of securities would be completed within a period of 365 days from the date of passing the resolution set out at agenda no. 10.

The securities issued will be listed on one or more stock exchanges in India. Considering the present situation of COVID-19 pandemic, it seems that the normalcy in postal facility for the purpose of obtaining approval of Members by way of postal ballot or holding of an extra- ordinary general meeting is not feasible for some more time. If the Company does not obtain approval from the Members at this point of time, the same may have an impact on its liquidity ratio and other consequential inconveniences in the smooth functioning of the Company. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 and General Circular No. 02/2021 issued by the Ministry of Corporate Affairs.

All the documents referred in the Notice are available for inspection at the Registered Office of the Company. The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.10 of the Notice.

The Directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of Equity Shares that may be subscribed by the companies /institutions in which they are Directors, Members or employees.

By Order of the Board of Directors
For Can Fin Homes Ltd.

Sd/-
Veena G Kamath
AGM & Company Secretary

Place: Bengaluru
Date: July 31, 2021