



New **ERA.**
New **POSSIBILITIES.**

HIGHLIGHTS, 2017-18

₹15,743 Crore

Outstanding loan book

₹480.16 Crore

Operating profit

₹301.77 Crore

Net profit

0.20%

Net Non-Performing Assets (NPA)

3.53%

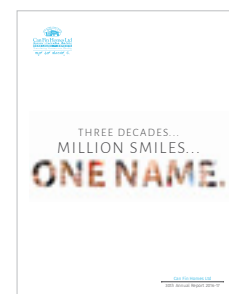
Net interest margin

24.91%

Return on Equity (ROE)



This year marks completion of three decades for our Company. The Annual Report cover draws inspiration from those million smiles of our customers that have been associated with us. We humbly thank them for choosing us as their preferred housing finance partner and look forward forging many more such enduring relationships in the years to come.



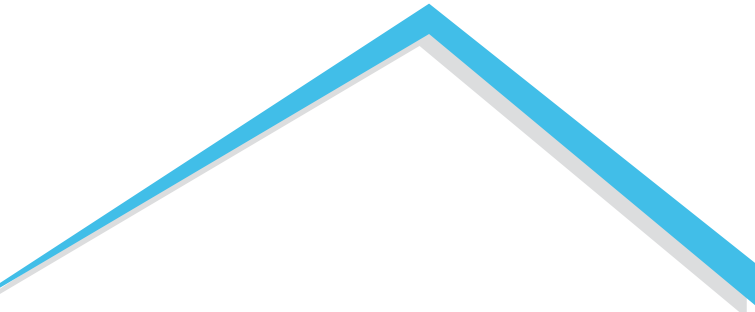
This report is also available online on

www.canfinhomes.com



The cover design portrays exciting new vistas in synchronisation with a plethora of opportunities. We stand at the threshold of our fourth decade, heralding a 'new era and new possibilities'.





New beginnings are always optimistic especially when they're made on a successful three decade old foundation! This year, we're stepping into our fourth decade in the housing finance industry, carrying with us the strength, knowledge and a responsibility of supporting the Government's vision of providing 'Housing for all by 2022'. As we embark on this new era, the ambitions run high amid endless possibilities.

We look forward to enrich lives, contribute to the society and create consistent value for the stakeholders.

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CORPORATE INFORMATION

CAN FIN HOMES LTD

Registered Office

#29/1, 1st Floor, Sir M N Krishna Rao Road
Near Lalbagh West Gate, Basavanagudi, Bengaluru 560004
Tel : 080-26564259, 080-41261144, Fax : 080-26565746
Email : investor.relationship@canfinhomes.com
Web : www.canfinhomes.com

AUDITORS

Varma & Varma

#424, 4th C Main
6th Cross, OMBR Layout, Banaswadi, Bengaluru 560 043

PRINCIPAL BANKER

Canara Bank, Prime Corp. Branch, MG Road, Bengaluru

OTHER BANKERS

- State Bank of India • HDFC Bank Ltd.
- Federal Bank • Lakshmi Vilas Bank

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
CIN : U85110KA1994PLC016174

DEBENTURE TRUSTEE

SBICAP Trustee Company Limited

6th Floor, Apeejay House, 3, Dinshaw Wachha Road,
Churchgate, Mumbai 400020
Tel : 022-43025555, Fax : 022-43025500
Email : murali.v@sbicaptrustee.com
Website : www.sbicaptrustee.com
CIN : U65991MH2005PLC158386

CORPORATE IDENTITY NUMBER

L85110KA1987PLC008699

LEGAL ENTITY IDENTIFIER NUMBER

335800EJ9Y3XDP5ZDH81

SENIOR MANAGEMENT PERSONNEL*

At Registered Office

Smt. Shamila M, *DGM (KMP)*
Shri Atanu Bagchi, *DGM & CFO (KMP)*
Smt. Veena G Kamath, *AGM & CS (KMP)*
Shri Sikhin Tanu Shaw, *AGM*
Shri Prashanth Joishy, *CM*
Shri S Mohana Krishnan, *CM*

In Operations

Shri Ajay Kumar G Shettar, *DGM and Head BLR-Cluster*
Shri B M Sudhakar, *DGM and Head MBY-Cluster*
Shri N Babu, *DGM and Head HYD-Cluster*
Shri Prashanth Shenoy, *DGM and Head DEL-Cluster*
Shri Murugan R, *AGM and Head CHN-Cluster*
Shri M Sundar Raman, *AGM, CHN, Tambaram*
Shri Jagadeesha Acharya, *AGM, Ahmedabad*
Shri Prakash Shanbogue B, *AGM, BLR- CPC*
Shri Sanjay Kumar J, *AGM, NCR, Noida*
Shri Srinivas Malladi, *AGM, Vijayawada*
Shri P S Mallya, *AGM, NCR, Faridabad*
Shri A Uthaya Kumar, *AGM, BLR, Jayanagar*
Shri K Srinivas, *AGM, HYD, Nampally*
Shri Arun Kumar V, *AGM, HYD, Panvel*
Shri H R Narendra, *AGM, BLR, Hesarghatta*
Shri D R Prabhu, *AGM, BLR, Indore*
Shri M Vinayak Rao, *AGM, BLR, Cunningham Road*
Shri R Madhu Kumar, *CM, Hosur*
Shri Jayakumar N, *CM, CHN, Ambattur*
Shri S N Venkatesh, *CM, Hubli*
Shri P Badri Srinivas, *CM, HYD, R C Puram*
Smt. Chitra Srinath, *CM, BLR, K R Puram*
Shri N Sivasankaran, *CM, Hosur*
Shri T T Achuthanand, *CM, HYD, Kompally*
Shri Naveen Prabhu M, *CM, Vizag*
Smt. Mallika K Shetty, *CM, BLR, Uttarahalli*
Shri R Hariharasubramaniam, *CM, Madurai*
Shri Santhosh Prakash Srivastava, *CM, Jaipur*
Smt. J Meenakshi, *CM BLR, Kengeri*
Shri K S Kamath, *CM, BLR, Sahakarnagar*
Shri Pramodachandra G, *CM, Kalyan*
Shri Arunkumar Shastri, *CM, HYD, Taranaka*
Shri Rashmi Kanta Satapathy, *CM, Bhopal*
Shri R Jabak Kumar, *CM, HYD, L B Nagar*
Shri B Sreenivasa Rao, *CM, Raipur*
Shri M Jagannathan, *CM, Coimbatore*
Smt. Madhu Shetty, *CM, BLR, Electronic City*
Smt. Ravika Datt, *CM, BLR, Sarjapur*
Shri Sunil Warriar, *CM, NCR, Gurgaon*
Smt Ambika Pai, *CM, HYD-Gachibowli*
Shri Ratheesh Kumar P, *CM, NCR, Greater Noida*
Shri Pankaj Kumar, *CM, HYD-Karim Nagar*
Shri P V Mohana Krishna, *CM, Guntur*

* As on June 10, 2018

BOARD OF DIRECTORS

Shri K N Prithviraj
(DIN: 00115317)
Chairman (Independent Non-Executive)

Shri Sarada Kumar Hota
(DIN: 07491088)
Managing Director

Smt P V Bharathi
(DIN: 06519925)
Promoter Non-Executive Director

Shri S A Kadur
(DIN: 06426985)
Promoter Non-Executive Director

Shri T V Rao
(DIN: 05273533)
Independent Non-Executive Director

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

Smt Bharati Rao
(DIN: 01892516)
Additional Director (Independent)

***Shri Shreekant M Bhandiwad**
(DIN: 08120906)
*Additional Director
(Whole-time Director)*
*Appointed w.e.f April 28, 2018

BOARD COMMITTEES**Audit Committee**

Shri G Naganathan - *Chairman*
Shri S A Kadur - *Member*
Shri T V Rao - *Member*
Smt Bharati Rao - *Member*

Stakeholders Relationship Committee

Shri T V Rao - *Chairman*
Shri Sarada Kumar Hota - *Member*
Shri G Naganathan - *Member*
Smt Bharati Rao - *Member*

Corporate Social Responsibility Committee

Shri K N Prithviraj - *Chairman*
Shri Sarada Kumar Hota - *Member*
Shri G Naganathan - *Member*
Shri Shreekant M Bhandiwad - *Member*

Nomination and Remuneration Committee

Smt Bharati Rao - *Chairperson*
Shri T V Rao - *Member*
Smt P V Bharathi - *Member*
Shri G Naganathan - *Member*

Risk Management Committee

Smt P V Bharathi - *Chairperson*
Shri T V Rao - *Member*
Smt Bharati Rao - *Member*
Shri Shreekant M Bhandiwad - *Member*
Smt M Shamila - *Member*

Management Committee

Shri Sarada Kumar Hota - *Chairman*
Shri S A Kadur - *Member*
Shri T V Rao - *Member*
Shri Shreekant M Bhandiwad - *Member*

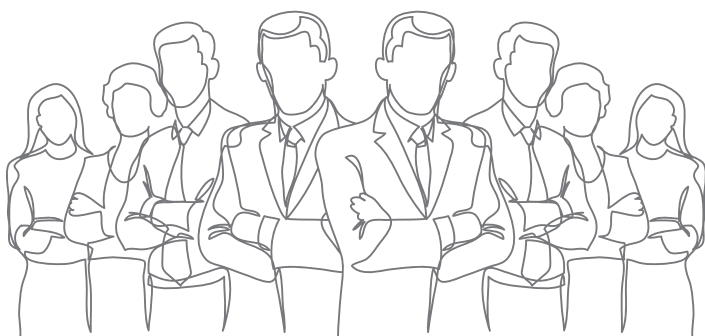
LISTING OF EQUITY SHARES**National Stock Exchange of India Ltd.**

Exchange Plaza, Plot No. C/1, G-Block,
Bandra Kurla Complex, Bandra East, Mumbai 400051

CANFINHOME - Scrip Code : 511196

BSE Limited

Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai 400001

**31st Annual General Meeting**

Wednesday, July 18, 2018 at 11:00 AM
At 'NIMHANS Convention Centre', Opp. Lakkasandra Bus Stop, Hosur Road,
Bengaluru, Karnataka 560029.

ABOUT CAN FIN HOMES

Can Fin Homes Limited is among India's leading and fastest growing housing finance companies. We aspire to provide the very best of financial assistance to peoples' housing requirements.



100+

Branches / Satellite offices added in last five years



3,35,000

Families assisted with financial assistance since inception



1st

Housing finance company in the country promoted by a Nationalised bank



30

More than years in promoting home ownership



648

Employees across 19 states in India

Runner up

in 'FE Best Banks' under NBFC category for FY 16-17

Financial capital



- ▶ Loan book growth by more than **18.30%** over 2016-17 to **₹15,743** Crore
- ▶ Net profit growth by **28%** to **₹301.77** Crore over 2016-17
- ▶ **3.53%** Net interest margin

Infrastructure & Intellectual capital



- ▶ Average **25** years of experience of our senior management
- ▶ **₹14.01** Crore invested in technology upgradation in last three years
- ▶ Added **109** branches/satellite offices in last five years

Human capital



- ▶ **~34 years** of average age of total team as on March 31, 2018
- ▶ Induction of **Specialist officers** (CA/CS/legal/IT Professional) and **Management trainees** during the year
- ▶ **24%** women employees of the total workforce

Social & Relationship capital



- ▶ **₹130** Crore paid to exchequer in the current fiscal
- ▶ **₹3.38** Crore contributed for community development and other social activities



THE VALUE WE CREATE

Our sustainable business model creates long-term value for our shareholders and the communities in which we operate.

FINANCIAL PERFORMANCE

Loan outstanding (₹ in Crore)



New approvals (₹ in Crore)



Net Profit (₹ in Crore)



Cost to income ratio (%)



Average business per branch (₹ in Crore)



GNPA (%)



Net NPA (%)



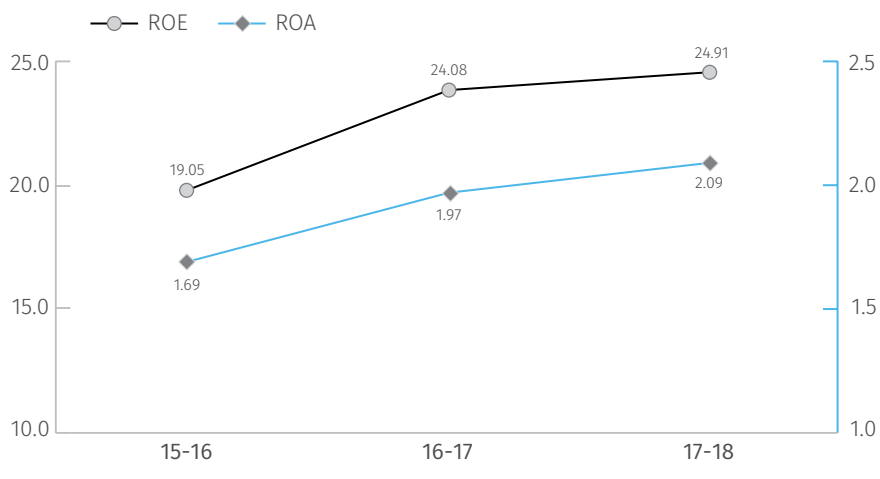
Net Interest margin (%)



Book value per share (₹)



ROE & ROA (%)



NON-FINANCIAL PERFORMANCE

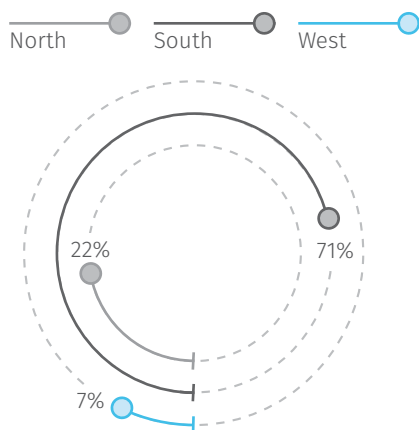
Branches / Satellite offices

2017-18	173
2016-17	170
2015-16	140

CSR Spend (₹ in Crore)

2017-18	3.38
2016-17	4.36
2015-16	1.09

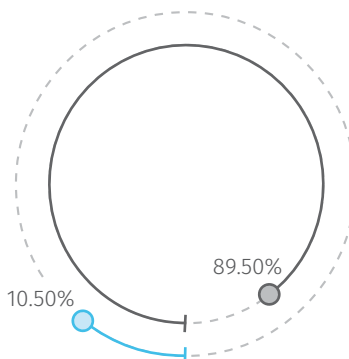
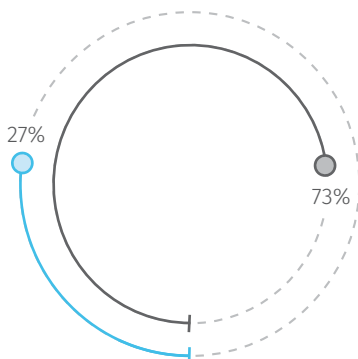
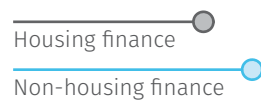
Market presence (%)



Loan book profile (%)



Loan book portfolio (%)



MESSAGE TO SHAREHOLDERS



While we look back with fulfillment over our rich legacy, our focus remains on the exciting and challenging future lying ahead. Among the many, one of our strengths has been addressing the customer needs with transparency. Our business expertise, attention to detail, faster turnaround time and high governance standards has positioned us as a trusted and preferred housing finance company in the market.

The implementation of demonetization, RERA and GST will have a positive effect on the economy in the long run. Though initially, the implementation has shown a knee jerk reaction in a negative manner, we are confident that with the passage of time, the positive effects of these reforms will result in a healthy and sustainable growth in the housing sector.

While demonetization has helped in normalization of prices by discouraging the cash deals, RERA offers the much needed protection to the genuine home buyers. Now that the Indian Real Estate industry has got its first regulator, confidence of average home buyer as well as Financial Institutions have got a boost. Implementation of RERA by various states and the increasing traction in affordable housing segment have led to revival of growth in most of the geographies.

Government's initiative of 'Housing for all by 2022' and the consequent incentives to the sector, i.e., extended coverage of MIG under Pradhan Mantri Awas Yojana (PMAY) Credit Linked Subsidy Scheme, increase in carpet area norm for eligibility under CLSS, rationalization of GST rates in favour of affordable housing etc., are going to be the key drivers of growth in ensuing years.

We were the first housing finance company to have introduced Affordable Housing Loan Centres (AHLCS) to lend

Our eventful journey from humble beginnings, with the twin objectives of promoting home ownership and increasing the housing stock in the country, has now helped us transform into a prominent housing finance company in the country

Dear Shareholders,

It is a matter of pride for us at Can Fin that we celebrated three successful decades of existence in the last fiscal year. Our eventful journey from humble beginnings, with the twin objectives of promoting home ownership and increasing the housing stock in the country, has now helped us transform into a prominent housing finance company in the country. The ever increasing demand for housing on account of burgeoning population and rapid urbanization makes the housing finance market more relevant than ever.

exclusively in the peripheral areas of Tier-I, Tier-II and Tier-III cities. During the year we opened 10 more AHLCs, taking the number to 20 and have plans to increase it to 30 shortly. Since the land and building values are more affordable in these areas, lending under the New Gruhalakshmi Rural Housing / Urban Housing (New GRHS / LUH) and the Credit Linked Subsidy Scheme (CLSS) under Pradhan Mantri Awas Yojana (PMAY) are being focused as potential growth segments.

With new loan approvals of ₹5,760 Crore and disbursements of ₹5,207 Crore during the year, our loan book grew by 18.30% to ₹15,743 Crore as on March 31, 2018. Asset Under Management (AUM) of the Company has grown over the last 5 years with a CAGR of 31%.

The year witnessed your Company surpass the milestones of ₹15,000 Crore under Loan book, ₹500 Crore of Net Interest Income and ₹300 Crore of PAT for the first time ever.

We maintained our profitability levels by recording a 28% increase in net profit and a steady Net Interest Margin (NIM) of 3.53%. Backed by strong AAA rating for our borrowings/NCDs & A1+ for CPs and a healthy mix of borrowings from Banks, NHB & money market, your Company enjoys one of the finest cost of funds. A significant portion of our short and medium term funds are raised from money market while the long term funds are sourced from Banks & NHB. This is an optimal method currently being followed and we are always on the lookout for cost effective alternate sources of borrowings to sustain the margins & profitability.

Our robust culture of professionalism and proactive risk management helped us deliver greater value for our stakeholders. We recorded a steady ROE of 24.91% and ROA of 2.09% for

FY17-18. Cost to income ratio improved significantly to 15.21% from 17.02% a year ago, aided by an improved branch/employee productivity and significant cost control at various operational levels.

While industry experts remain apprehensive about vulnerability of small ticket affordable housing loans to higher delinquency levels, at Can Fin we have always been consciously conservative in our lending approach. With 89.50% of the loan book coming from housing loans and 73% of the portfolio comprising of salaried and professional borrowers, your Company has been able to return one of the best in industry asset quality with gross NPA level of 0.43% as at March 2018.

We remain buoyant with regard to our market expansion to potential geographies beyond our home turf and covered 8 new cities / towns under our network in the last fiscal. We have plans to open about 20 new branches during the current fiscal. We also acquired license from the IRDA and began insurance agency business from January 2018. The insurance business adds to our business competitiveness and widens our service portfolio.

We have always believed in value creation for stakeholders at large. As we make steady progress on our business front, we continue to make contributions towards the society and individuals that need assistance. During the year under review, we spent ₹3.38 Crore in empowering lives of the underprivileged towards education, infrastructure development and women empowerment.

In closing, I remain optimistic for India's economic growth in the ensuing years, backed by positive reforms and rising market demands in the real estate industry. As we step into our fourth decade, we look forward to the times

ahead with more enthusiasm than ever before. The encouraging reforms and incentives by the government will only boost the 'home ownership' aspirations among people. Your Company remains committed to pursue excellence in business growth backed by strong corporate governance and able risk management framework.

I take this opportunity to express my gratitude to the Board of Directors for their sound advice, consistent support and guidance over the years. I also wish to express my deep appreciation towards our management and staff members for their continuing commitment and dedication.

As we step into a 'New Era' with 'New Possibilities' we have already put in place a platform in the last three decades to achieve sustainable growth in profitability and stakeholder wealth. I thank the National Housing Bank, Canara Bank and other stakeholders for partnering in these three eventful decades of our journey. Our vision of achieving loan book of ₹40,000 Crore by FY 2022 will keep us motivated as we continue to expand our business, notwithstanding the pitfalls and hurdles ahead in view of the ever changing and challenging economic scenario. Our diversified workforce and understanding of the financial needs of our borrowers will only help us reach greater scales of success. My team and I look ahead to another exciting year of new possibilities and a new journey!

Regards

S K HOTA
Managing Director

NEW ERA. NEW POSSIBILITIES.

Can Fin Homes is a three-decade-old housing finance company promoted by Canara Bank and registered with the National Housing Bank. We are committed to our founding principle of empowering people with financial assistance for housing needs and promoting home ownership.

Possibilities

Shortage of

1

Core Urban dwelling units

Urbanization to go up by

36%

till 2020

Fall in effective interest rate for economically weaker sections (EWS) and LIG by

3%

under CLSS

Increase in allocation for EWS and LIG from ₹8 billion to

10

₹ billion

GST reduced to

8%

for home buyers under PMAY

PMAY Gramin aims for completion of

10

million houses by end of FY18-19

Budgetary Allocation for Housing for All by 2022 stands at

64500

₹ Crore for 2018-19

66%

of India's population is under 35 years of age

Our Vision

Promoting home ownership, increasing the housing stock in the country and transforming the lives of Indian households by easy access to home finance



Can Fin Edge

Affordable Housing Loan Centres

20

Loan book crossed

15,000

₹ Crore

Average ticket size of incremental housing loans

18.08

₹ Lakh

40%

of loans given to individuals with annual income upto ₹6 Lakh

Number of branches

153

and satellite offices

20

89.5%

of the loan book comprising individual housing loans

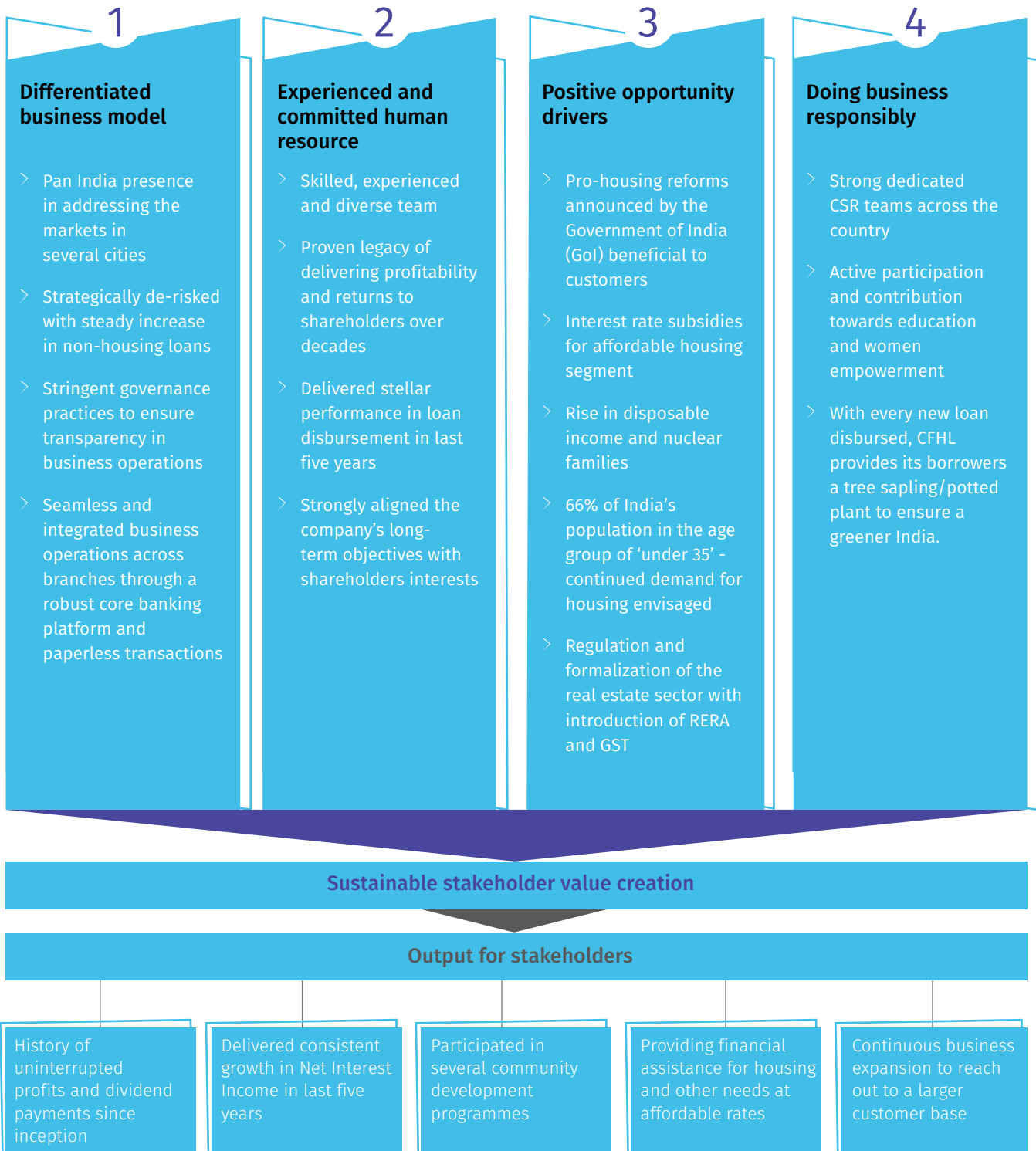
73%

of loan book from salaried and professional segment

Tie up

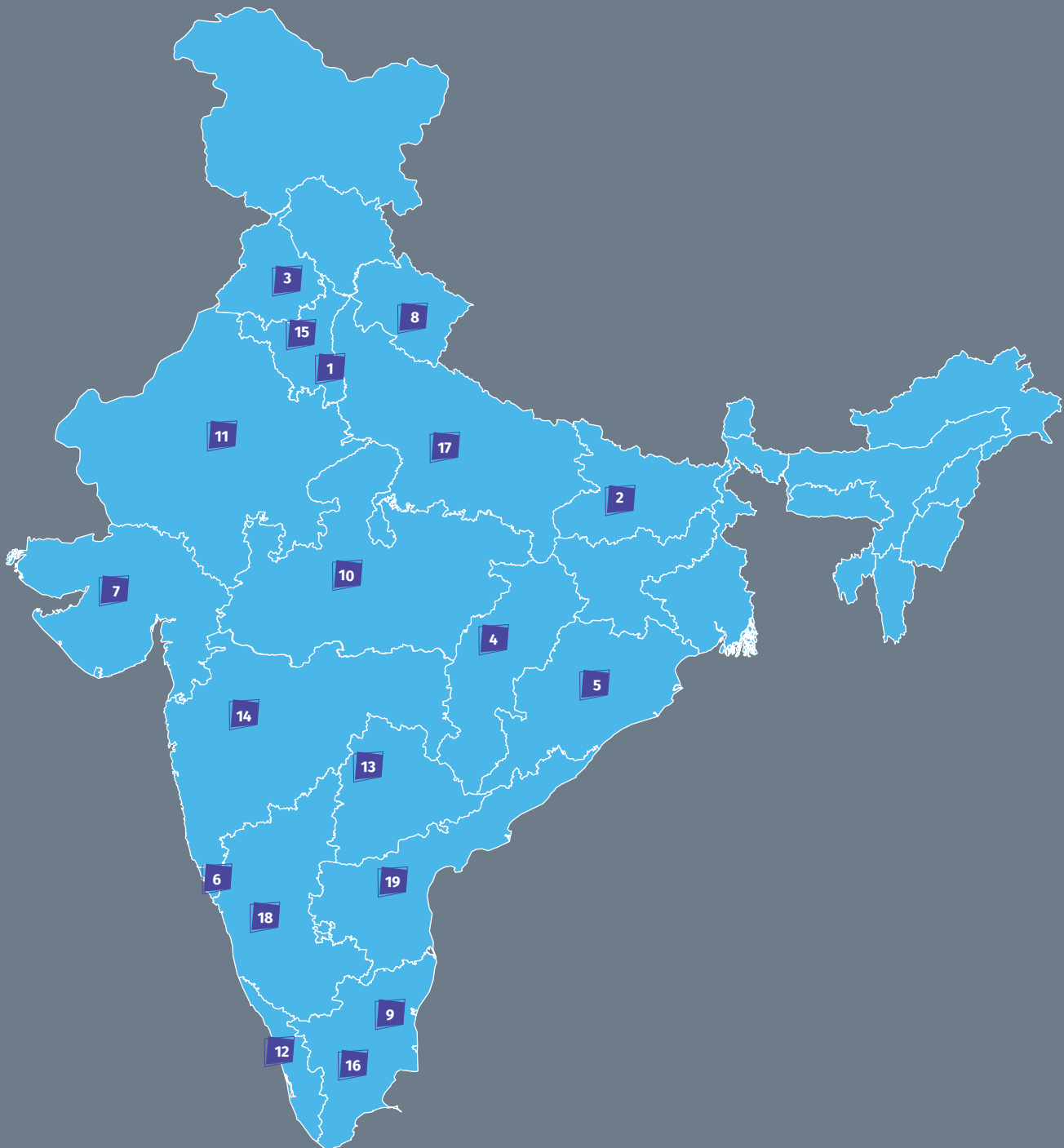
with Canara HSBC OBC Insurance company

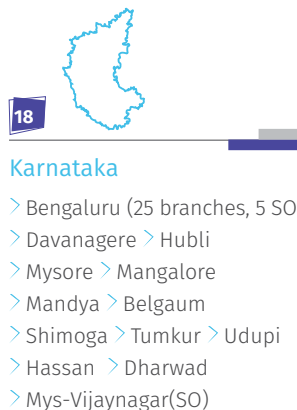
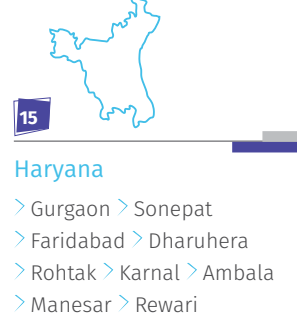
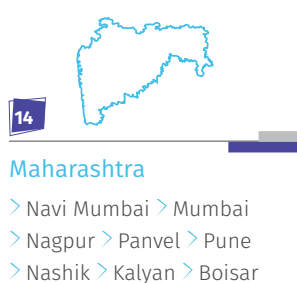
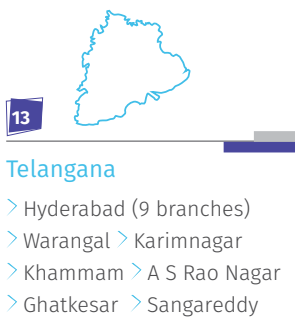
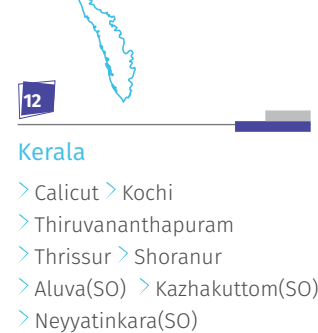
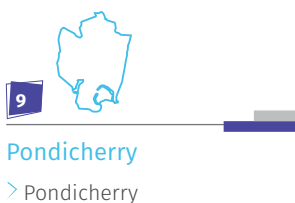
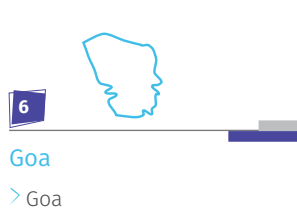
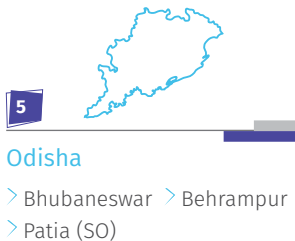
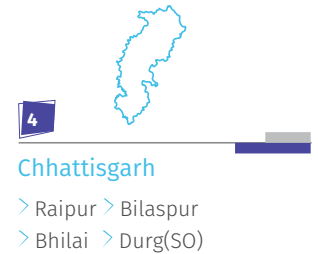
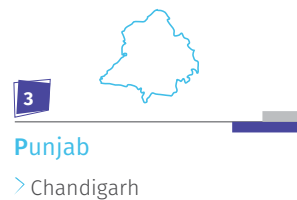
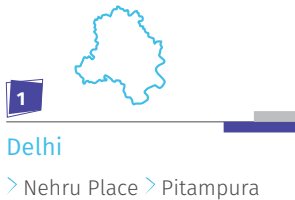
Our value-creation philosophy



OUR PRESENCE

Our branch network has steadily extended across India's largest and fastest-growing economic growth zones, thereby augmenting the prospects of our growth in the coming years. Following is the list of branches, AHLCs and satellite offices as on May 31, 2018.





LEADERSHIP CONCLAVE

The Leadership Conclave 2017 was a first of its kind initiative held at Bengaluru in FY17-18 to recognise and celebrate the people at Can Fin for their relentless contribution towards the Company, along its journey of three decades



▲ Chairman Canara Bank, Padmashree T N Manoharan and CFHL MD, Shri S K Hota cutting the ceremonial cake to mark the occasion.



▲ Our first MD, Shri A K Shetty being honoured by Canara Bank MD, Shri Rakesh Sharma and the Board of Can Fin Homes



▲ Canara Bank MD & CEO addressing the Leadership Conclave 2017



▲ A glimpse of the Conclave participants



▲ CFHL's motto beautifully brought together by the Branch Managers at the Conclave

LOOKING BACK WITH PRIDE

Our journey over three decades has been eventful, where we have transitioned from a small company to a premier institution, bringing smiles to millions of faces. Here we look back at years that shaped our foundation for growth.



▲ 1987 : Inaugural Function of Can Fin Homes Ltd at New Delhi (In Picture: Shri Deepak Parekh, Shri B Ratnakar, Shri N D Prabhu & our first MD, Shri A K Shetty)



▲ 1988: Inauguration of New Delhi Branch by the founder Chairman, Shri B Ratnakar on 25th June 1988



▲ 1990: First MD Shri A K Shetty handing over the reins to next MD Shri Maurice D'Souza



▲ Affordable Housing Units funded by CFHL way back in 1990



▲ 1991 : Can Fin goes public



▲ MD Shri A K Shetty, GM Shri M R Prabhakar & Registered Office Staff at No.32, Shanti Kutir, Race Course Road, Bengaluru



▲ First batch of Management Trainees with MD Shri A K Shetty & GM Shri M R Prabhakar



▲ 1992: Inauguration of 25th Branch at Lucknow



▲ 9th AGM at Chowdaiah Memorial Hall (In Picture: Chairman Shri J V Shetty & MD Late Shri M N Shenoy)



▲ 2002 : Inauguration of a Property Expo (In Picture: MD Shri Peter D F Cardozo)



▲ 2017: 30th AGM at JSS Auditorium in Progress



▲ 2018: Maiden venture into cross selling

MAKING A BETTER WORLD



▲ CFHL's initial contribution of 300 saplings towards a greener Bengaluru on 12th Nov, 2017 at Akshay Nagar, Bengaluru, with the first such sapling being planted by Shri S K Hota, MD



▲ Memorable Sunday - Can Fin Tree Plantation Drive

Can Fin Homes has a strong belief in corporate contribution to the development of communities and society. In particular, we put special efforts towards empowering the underprivileged children with education and preserving the climate for a better tomorrow.

In FY17-18 our employees came together to volunteer programs that gave them the opportunity to serve community needs. We actively participated in providing infrastructure in several government

schools (like drinking water, benches, tables, chairs, fans and boards) for the benefit of the students.

We also stepped up our efforts towards preserving the environment by plantation of trees in the current fiscal. The 'Can Fin Tree Plantation Drive' was enthusiastically launched in Bengaluru with the active participation of Management & Staff on 12th Nov, 2017.

To promote a greener India, CFHL has also started an initiative of providing saplings/potted plants to each borrower availing a loan. CFHL's green legacy is promoted through all its outlets across the country.

112

Number of schools benefitted under our CSR initiative for education

₹3.38

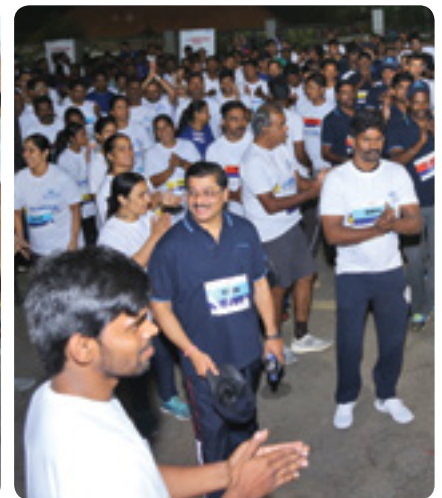
 Crore

Amount spent in FY17-18

19

 states

Coverage of CSR activities throughout India



Can Fin Homes sponsored the Eureka Run for Children at Elliot's beach, Chennai. This run was for a social cause - in aid of quality education for rural children along with AID India, a non-profit organization.

For the past 21 years, AID India has been supporting the education of over 1 Lakh children in 1100 villages / 800 schools, especially in Tamil Nadu.

In the photos, Padmashri Shri T N Manoharan, Chairman, Canara Bank, Shri S K Hota, Managing Director, Can Fin Homes Ltd, Smt S Srimathy, General Manager, Canara Bank and other senior members of CFHL and Canara Bank, can be seen participating enthusiastically.

OPERATIONAL AND FINANCIAL HIGHLIGHTS

I – Statistics on Business

Sl No	Parameters	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
1	Loan Approvals (₹ in Crore)	1105	2093	2907	3670	4418	5451	5760
2	Loan disbursements (₹ in Crore)	859	1814	2548	3346	3923	4792	5207
3	Total Loan outstanding (₹ in Crore)	2674	4016	5844	8231	10643	13313	15743
4	Out of 3 above,							
	i. Housing Loan (₹ in Crore)	2608.62	3808.38	5350.27	7325.49	9381.32	11783.59	14089.08
	ii. Non Housing Loan (₹ in Crore)	65.77	207.77	493.73	905.8	1261.81	1529.47	1653.91
5	Borrowings (₹ in Crore)	2300.30	3538.89	5268.53	7374.51	9443.96	11871.95	13924.75
6	NPA							
	i. Gross NPA (₹ in Crore)	19.01	15.66	12.10	14.35	19.76	27.91	67.49
	ii. Gross NPA %	0.71%	0.39%	0.21%	0.17%	0.19%	0.21%	0.43%
	iii. Net NPA %	NIL	NIL	NIL	NIL	NIL	NIL	0.20%
7	Average Assets (₹ in Crore)							
	i. Housing loan	2305.95	3146.86	4626.88	6261.2	8213.96	10496.27	12839.20
	ii. Non Housing loan	40.47	103.09	320.32	708.62	1063.91	1387.61	1554.97
	iii. Investments	38.54	20.82	20.31	20.18	24.36	32.46	39.79
	iv. Securitised Assets	2.55	0	0	0	0	0	0
	Total Average Assets (₹ in Crore)	2387.51	3270.77	4967.51	6990.00	9302.23	11916.34	14433.96
8	Average Borrowings (₹ in Crore)	1993.63	2797.64	4298.98	6388.39	8401.58	10588.06	12714.23
9	No. of Branches / Offices							
	i. Branches	52	69	83	107	110	134	153
	ii. Satellite Offices	0	0	0	10	30	36	20
	Total No. of Branches / Offices	52	69	83	117	140	170	173
10	No. of Employees	251	319	387	491	553	626	648

II - Statistics on Income & Expenditure

Sl No	Parameters	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
11	Interest Collected (₹ in Crore)							
	i. Housing Loan	270.49	359.35	511.61	690.76	896.10	1111.31	1277.03
	ii. Non Housing Loan	5.82	18.28	44.03	95.76	146.67	192.61	211.40
	iii. Investment	2.94	1.08	1.41	1.37	1.64	2.15	2.13
	Total Interest Collected (₹ in Crore)	279.25	378.71	557.05	787.89	1044.41	1306.08	1490.56
12	Processing Charges (₹ in Crore)	6.93	13.78	20.69	28.41	38.52	45.99	51.21
13	Other Income (₹ in Crore)	0.65	0.21	0.26	0.73	0.61	1.06	5.29
14	Total Income (₹ in Crore)	286.83	392.70	578.00	817.03	1083.54	1353.12	1547.06
15	Interest Paid (₹ in Crore)	195.53	283.01	422.76	610.29	743.48	884.03	980.78
16	Net Interest Income (NII) (₹ in Crore)	83.71	95.69	134.29	177.60	300.93	422.05	509.78
17	Staff Cost (₹ in Crore)	11.01	15.73	17.90	24.75	33.06	39.36	44.16
18	Other Expenses (₹ in Crore)							
	i. Establishment	4.53	6.05	7.15	8.38	9.77	12.32	14.93
	ii. DSA Commission	0.94	4.33	6.33	7.56	7.78	9.91	9.16
	iii. Professional fees – IBS	0.00	1.00	1.93	2.39	2.78	2.99	3.29
	iv. Others incl CSR	3.10	4.42	5.38	6.13	6.66	11.55	11.50
19	Depreciation (₹ in Crore)	0.55	1.16	2.01	3.73	3.46	3.73	3.09
20	Bad Debts written off (₹ in Crore)	2.81	3.29	3.22	2.10	3.29	0.85	-
21	Operating Cost (₹ in Crore)	20.13	32.69	40.70	52.94	63.50	79.86	86.13
22	Total Cost (₹ in Crore)	218.47	318.99	466.68	665.33	810.27	964.74	1066.91
23	Operating Profit (₹ in Crore)	68.36	73.71	111.32	151.70	273.27	388.38	480.16

Sl No	Parameters	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
24	Provisions & Taxes (₹ in Crore)							
	i. Standard Assets	11.00	6.85	8.00	12.00	14.00	10.65	2.10
	ii. Non Performing Assets	-3.61	-8.24	-3.56	2.25	5.41	8.15	20.00
	iii. Income Tax	17.80	20.20	30.93	43.23	80.00	115.13	128.69
	iv. Deferred Tax Liability/(Asset)	-0.58	0.78	0.01	7.98	16.75	19.78	27.60
	v. Prior Period Adjustment	0.00	0.00	0.23	0.00	0.00	-0.59	0.00
25	Net Profit (₹ in Crore)	43.76	54.12	75.71	86.24	157.11	235.26	301.77
26	Share Capital (₹ in Crore)	20.49	20.49	20.49	26.62	26.62	26.62	26.63
27	Reserves (₹ in Crore)	327.09	371.68	431.81	744.87	851.42	1049.68	1319.86
28	Deferred Tax Liability DTL /(Assets DTA)	-5.66	-4.87	-4.86	21.61	56.87	113.65	141.24
29	Shareholder's Funds – Tier I (₹ in Crore)	341.92	387.3	447.44	771.49	878.04	1076.30	1346.49
30	Number of Shares (in Crore)	2.05	2.05	2.05	2.66	2.66	2.66	13.31
31	Tier II Capital (₹ in Crore)							
	- SA Provision	11.15	18.00	26.00	38.00	52.00	62.65	64.75
	- Tier II Bonds	0.00	0.00	0.00	100.00	100.00	100.00	100.00
	Total Tier II Capital (₹ in Crore)	11.15	18.00	26.00	138.00	152.00	162.65	164.75
32	Dividend							
	i. Percentage	30	40	65	70	100	100	100
	ii. Amount (₹ in Crore)	6.15	8.20	13.32	18.64	26.63	26.63	26.63
	iii. Payout Ratio excl tax	14.05%	15.15%	17.59%	21.61%	16.95%	11.32%	8.82%
	iv. Payout Ratio incl tax	16.34%	17.61%	20.58%	25.36%	20.40%	13.62%	10.62%
	v. Dividend yield	2.67%	2.94%	3.41%	1.15%	0.87%	0.47%	0.41%
33	Book Value (BV) (FV of share ₹10)	169.55	191.30	220.63	290.03	329.84	404.32	101.16
34	Earnings per Share (EPS)(₹)	21.36	26.42	36.93	32.42	59.02	88.38	22.67
35	Return on Equity (ROE)	13.51%	14.84%	18.14%	17.75%	19.05%	24.08%	24.91%
36	Return on Average Asset (ROA)	1.83%	1.65%	1.52%	1.23%	1.69%	1.97%	2.09%
37	Closing Stock Price (CMP/NSE) (₹ as on 31st March)	112.45	135.90	190.70	607.40	1154.35	2121.45	484.50
38	Market Cap (MC) (₹ in Crore)	230.52	278.60	390.94	1615.68	3070.57	5643.06	6448.75
39	CMP/ Earnings (P/E Ratio)	5.26	5.14	5.16	18.73	19.56	24.00	21.37
40	CMP / Book Value (P/B Ratio)	0.66	0.71	0.86	2.09	3.50	5.25	4.79
41	Risk Weighted Assets (₹ in Crore)	1961.04	2631.41	3421.11	4945.71	4979.64	6521.71	7751.27
42	Capital Adequacy Ratio (CAR)	18.00%	15.40%	13.84%	18.39%	20.69%	18.50%	19.08%
43	Net Interest Margin (NIM)							
	a) Conventional	3.51%	2.93%	2.71%	2.54%	3.24%	3.54%	3.53%
	b) Including PC	3.80%	3.35%	3.12%	2.95%	3.65%	3.93%	4.24%
44	Cost to Income Ratio	22.04%	29.80%	26.22%	25.61%	18.67%	17.02%	15.21%
45	Average Business Per Branch (₹ in Crore)	47.94	49.38	61.65	67.15	86.71	97.88	109.07
46	Average Business Per Employee (BPE) (₹ in Crore)	10.88	11.43	13.90	15.90	18.52	20.68	23.88
47	Average Yield on Assets	11.70%	11.58%	11.22%	11.27%	11.24%	10.96%	10.33%
48	Average Cost of Borrowings	9.81%	10.11%	9.83%	9.55%	8.75%	8.35%	7.70%
49	Interest Spread	1.89%	1.47%	1.39%	1.72%	2.49%	2.61%	2.63%
50	Gearing Ratio	6.73	9.14	11.78	9.57	10.76	11.03	10.34

Notes:

- Sl no. 32 for FY17-18 is subject to approval of Members at the AGM to be held on July 18, 2018.
- Sl no. 30, 34, 37 and 39 - Equity shares of ₹10 were subdivided into equity shares of ₹2 each w.e.f October 13, 2017
- Sl no. 27, 29 and 33 is without considering the appropriations for Dividend and Dividend Tax.
- Sl no. 35 is calculated on average net worth.
- Sl no. 42 for FY17-18 - CAR is after considering the Dividend cost in the Net owned funds.
- Sl no. 45 for FY17-18 is excluding 20 AHLs opened in Q4 end.

PROFILE OF BOARD OF DIRECTORS



SHRI K N PRITHVIRAJ
Chairman

The Chairman of the Board, Shri K N Prithviraj was appointed as Director on June 04, 2014. He is an independent and non-executive Chairman of the Company.

A Rank holder in M.A Economics and CAIIB(I), he was also a Fellow of Research in Economics, University of Madras. He has over 46 years of experience in the banking industry. He held various positions as General Manager of Punjab National Bank, Executive Director of United Bank of India and Chairman & Managing Director of Oriental Bank of Commerce.

He was appointed as Administrator, Specified Undertakings of Unit Trust of India (SUUTI) (Govt. body) in 2007 and also as its Nominee Director on the Board of Axis Bank Ltd. (2008-2016). Presently, he is on the Boards of National Financial Holdings Co. Ltd., IL&FS Infra Asset Management Ltd., Brickwork Ratings India Pvt. Ltd., Axis Finance Ltd., and Dwarikesh Sugar Industries Ltd. as non-executive Independent Director.



SHRI SARADA KUMAR HOTA
Managing Director

Shri Sarada Kumar Hota has been appointed as the Managing Director of Can Fin Homes Ltd. w.e.f May 19, 2016.

Shri Hota, a Post-Graduate in Agricultural Science, is a senior banker and General Manager of Canara Bank, with over 27 years of commercial banking experience, having served across the Country.

Prior to his posting to the Company he was the Circle head of Nagpur and Jaipur Circles of Canara Bank for 3 years followed by a brief stint at the Recovery Wing of the Bank at Head Office. Apart from his expertise in retail operations, he also carries with him the experience of working in the areas of Human Resources, Strategic Business Planning and Profit Planning at the Head Office of the Bank.



SMT. P V BHARATHI
Director

Smt. P V Bharathi is a Director of the Company since September 22, 2014. She is a Post Graduate in Arts (M.A. and B.Ed.) and a Certified Associate of Indian Institute of Bankers (CAIIB). Smt. P V Bharathi joined Canara Bank on December 06, 1982 and has more than 35 years of experience in the banking industry. She has served in different branches in the NCR Region and Tamil Nadu.

At present, Smt. P V Bharathi is the Executive Director of Canara Bank. She is also a Director on the Boards of Canbank Venture Capital Ltd., Canara HSBC OBC Life Insurance Co. Ltd, Canara Bank Securities Limited, Higher Education Financing Agency, Canbank Factors Limited, Canbank Computer Services Limited and Commercial Indo Bank LLC.



SHRI S A KADUR
Director

Shri S A Kadur is a director of the Company since June 07, 2013. Shri Kadur is a B.E. (Mechanical) engineering graduate and he began his career as a Technical Field Officer in Canara Bank in February 1984. During his tenure in the Bank for over a period of 34 years, he has served in different branches, including Prime Corporate branch at

Pune and Chennai, Circle Office, Mumbai, Corporate Merchant Banking Division, Mumbai and Risk Management Wing at the Head Office.

At present, he is working as the General Manager, Prime Corporate Credit Wing, Head Office, Bengaluru.



SHRI T V RAO
Director

Shri T V Rao was appointed as a Director on February 01, 2014. He is an Independent Non-Executive Director of the Company. Shri T V Rao is a graduate in Commerce from S.V. University, Tirupathi(A.P) and Associate Member of the Indian Institute of Bankers (CAIIB). He successfully began his career in Union Bank of India (February 1975 till July 1991) and later joined the National Housing Bank (NHB) as Deputy Manager in July 1991. He was its Assistant General Manager till November 2007. Thereafter, he was the General Manager (Corporate Finance, Investment & Treasury) of the Small Industries Development Bank of India (SIDBI) from November 2007 to December 2007. From there, he moved to Export-Import Bank of India in December 2007 as General Manager (Corporate Finance & Treasury).

He was the Chief General Manager & Director (EC) of Export Import Bank of

India spearheading its Training & Capacity Building initiative till his superannuation in June 2012. He continued in Export Import Bank of India as its Adviser & Director (EC) heading the same vertical till March 2014 when he finally retired from service. Shri T V Rao has over 40 years of experience in Banking, Housing Finance and Foreign Trade sectors with specialisation in Management of Treasury, investment, corporate finance, securitisation, product development, Training, Research, capacity building and Regulation & Supervision of Housing Finance system. Presently, Shri Rao is an Independent Director on the Boards of LIC Housing Finance Ltd., STCI Finance Ltd., Electronica Finance Ltd., NATCO Pharma Ltd., Ladderup Finance Limited, Sanvira Industries Limited, Easy Home Finance Limited and Director on the Board of Fidas Tech (Pvt) Ltd.



SHRI G NAGANATHAN
Director

The Board of Directors have appointed Shri G Naganathan, FCA, as a director of the Company on September 07, 2016. 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 the Managing Partner in M/s. R K Kumar

& Co., Chartered Accountants. He has put in a practice of 34 years in R K Kumar & Co. 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.



SMT BHARATI RAO
Director

Smt Bharati Rao has been appointed as an Additional Director and an Independent Director w.e.f September 05, 2017. She is an Independent Non-Executive Director of the Company. She has completed M.A. (Economics) and Certified Associate of Indian Institute of Bankers (CAIIB). She has more than 41 years of experience in the banking industry, has held both domestic and international positions and was in-charge of areas such as Project Finance, Credit & Risk Management, International Banking, Human Resources, mergers and acquisitions. Served as the Deputy Managing Director of SBI and she had

held concurrent charge of SBI's 7 Associate Banks and 7 Non-Banking Subsidiaries.

Smt. Bharati Rao is currently a member on the Boards of various listed and unlisted Companies like SBI Capital Markets Limited, SBICap Securities Limited, SBI Global Factors Ltd, Neuland Laboratories Limited, Cholamandalam Investments and Finance Company Ltd., Carborundum Universal Limited, Tata Teleservices Ltd., Wheels India Ltd., Delphi TVS Diesel Systems Ltd. She is also an Advisor to Brickworks Ratings India Pvt. Ltd.



SHRI SHREEKANT M BHANDIWAD
Dy. 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 is a Post-Graduate Degree holder 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 over 24 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 at various places as above, Shri Bhandiwad carries with him the experience of over eight years at the Managing Director's Secretariat in the Bank.

MANAGEMENT DISCUSSION AND ANALYSIS

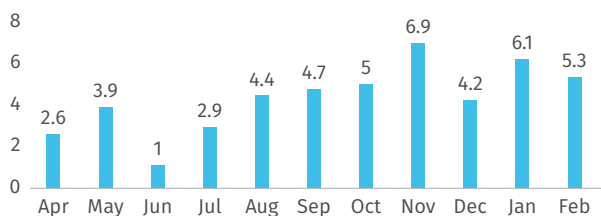
INDIAN ECONOMY OVERVIEW

In the last decade, our country witnessed the fastest economic growth in its modern history. The high growth was accompanied by an accelerated pace of urbanization. The swift urbanization entailed a huge demand for housing and as per the census of 2011, while 69% of our population lives in rural India, for the first time since independence, the absolute growth in population in urban India was higher than rural India in the 10 year period. This estimates requirement of about 25 million homes in the affordable housing segment predominantly for the middle income and lower income groups. To put this in context, this is about four times the entire housing stock financed presently.

India saw a growth in foreign exchange reserve from \$367.93 billion at the end of March 2017 to \$422.53 billion at the end of March 2018. However, the budgeted fiscal deficit of the country increased from 3.2% of GDP at ₹5.47 Lakh Crore to 3.5% of GDP at ₹5.94 Lakh Crore. This happened mainly due to increase in expenditure coupled with a decrease in revenue. There was an increase in expenditure mainly due to investment towards various reforms launched by the government, and due to increase in crude oil prices. Revenue decreased on account of a fall in tax collections arising out of problems in GST.

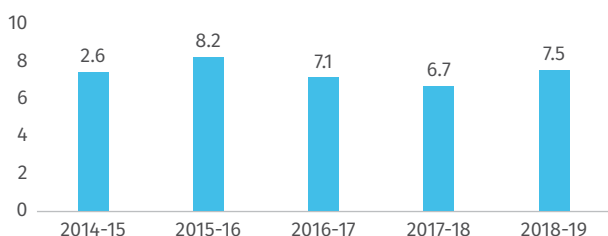
(Source: Ministry of Finance; RBI; IMF, World Economic Outlook April 2018)

Core Sector Growth (in %)



(Source: Ministry of commerce and industry, IIP)

GDP at Market (in %)



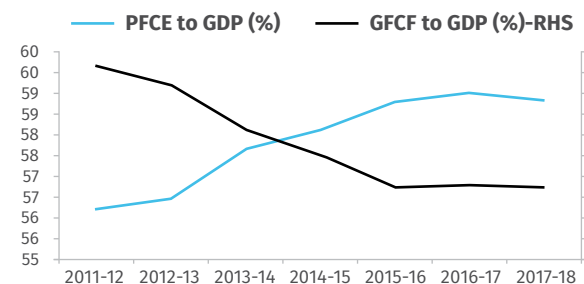
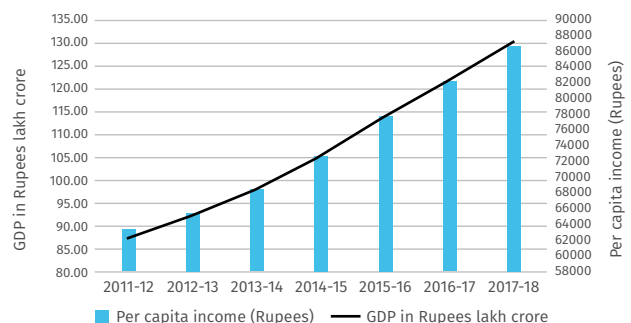
(Source: RBI)

Since FY11-12, India has witnessed a continuous rise in per capita income from ₹63,462 to ₹86,689 in FY17-18. The growth rate in per capita income is estimated to be 5.4% during the financial year under review. This increase in per capita income indicates that there is an increase in amount available for spending.

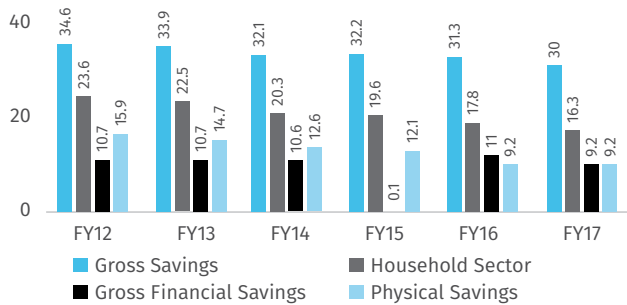
Between FY11-12 to FY17-18, the Private Final Consumption Expenditure (PFCE) as a proportion to GDP experienced a constant rise. PCFE grew at a CAGR of 12.3% from 56.2% in 2011-12 to 58.85% in FY17-18. On the other hand, Gross Fixed Capital Formation (GFCF) as a proportion to GDP faced a continuous fall from FY11-12 to FY17-18.

According to RBI's report on Housing Finance Committee, 5% of average Indian households wealth is in financial assets while other 95% is in Physical Assets. Financial Assets include deposits, mutual funds, publicly traded shares, life insurances, etc. Physical assets constitutes of 77% investment in real estate, 7% in durables and 11% in gold. Over the past few years, the economy has seen a strategic shift in savings portfolio from savings in household and physical assets to savings in financial assets.

Real GDP and per capita income over the years

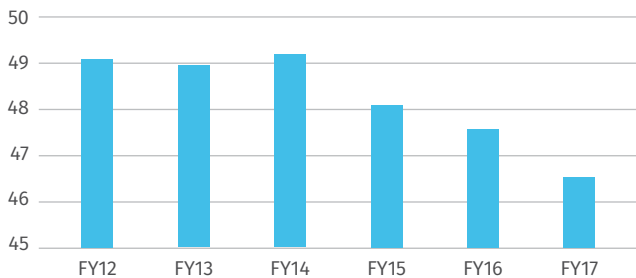
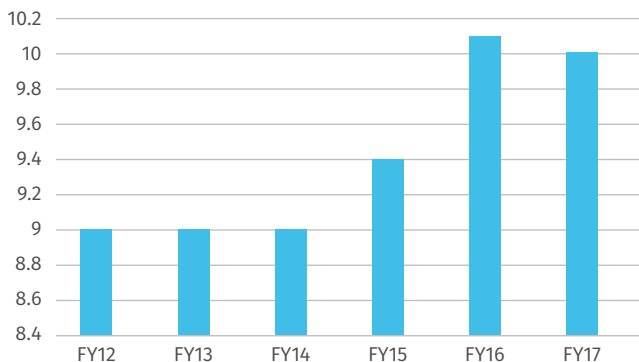


(Source: RBI)

Domestic Savings in proportion to GDP (in %)

(Source: RBI)

The total loan in proportion to GDP faced a downfall since 2013-14, while there was a rise in personal loan as a percentage of GDP from FY14-15 onwards. This indicates that increase in personal consumption was being satisfied by a growth in retail credit.

Total Loans in proportion to GDP (in %)**Personal Loans as a % of GDP**

(Source: RBI)

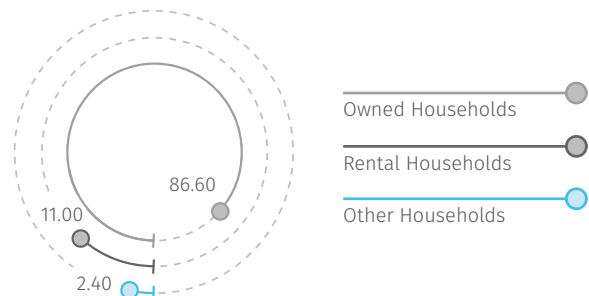
Outlook

With GST being stabilised, India's GDP is expected to increase from 6.6% in FY17-18 to 7.5% in FY18-19. With a tremendous growth in the economic sector on account of supportive governmental measures, the Indian economy is expected to overtake Japan to be the 3rd largest economy by 2028. India's exports are also expected to improve in the coming years benefitting from the trade war between US and China. Moreover, India's exports are expected to rise with India and China entering into a bilateral trade roadmap. This roadmap is for a medium and long-term period that will help to set timelines and action points for both the countries. It will help to increase bilateral trade between both the countries in a balanced and sustainable manner.

INDUSTRY OVERVIEW**Real Estate Industry**

The Indian real estate industry has been driven by a significant number of developments since past few years. Real estate industry is the second largest employer in India, after agriculture. It is expected to employ more than 67 million people by 2022. The key markets of Indian Real estate industry includes Mumbai Metropolitan Region, National Capital Region, Bangalore, Pune, Chennai and Hyderabad.

The real estate industry witnessed various short term effects due to the reforms introduced by the government. The unsold inventory fell down from 8,88,373 units in April 2016 to 8,07,903 units in October 2017. After facing a setback due to demonetization in FY16-17, FY17-18 saw a recovery of the industry. With this recovery, the Indian real estate industry is expected to reach ₹180 billion by 2020 from ₹126 billion in 2015. Housing sector's contribution to GDP is expected to double at 11.2% by 2020. (Source: Economic Survey; CREDAI)

Home ownership in India (in %)

Source: Census 2011

Recent developments that will boost the real estate industry

- The government will set up a dedicated affordable housing priority sector fund under National Housing Bank (NHB). This will open new avenues for developers who are planning to offer budgeted homes to the customers.
- RBI has raised housing loan limits for priority sector leading eligibility from ₹28 Lakh to ₹35 Lakh in metropolitan center and from ₹20 Lakh to ₹25 Lakh in other centers.
- President has promulgated an ordinance recognising home buyers as financial creditors, thus giving them greater say in insolvency of defaulting builders.

Government Initiatives for the real estate Industry

1. **Housing for All by 2022** - Pradhan Mantri Awas Yojana was introduced by the government in 2015. Under this scheme, the government plans to provide 51 Lakh houses in rural area, and 37 Lakh houses in urban area by 2022.

The total investment outlay for this scheme amounts to ₹2.25 Lakh Crore. Till now 3.4 Lakh houses have been completed under the scheme, and 2.97 Lakh houses have been occupied. Housing for All by 2022 will give a boost to the real estate industry of India with developers moving towards completion of projects in 2018.

The government has been espousing the cause of housing through its Housing for All by 2022 mission. Under the aegis of this mission, the government has brought out 2 schemes to partly fund the interest of borrowers in urban areas.

The first scheme, which is very liberal in terms of the interest rate subsidy is applicable to the Economically Weaker Sections (EWS) and those under Low Income Group (LIG) with average annual household incomes of ₹3 Lakh and ₹6 Lakh respectively. The maximum interest subsidy for EWS/LIG is ₹2,67,280/- and the maximum loan eligible for subsidy under this scheme is ₹6 Lakh. The amount of subsidy will be reduced proportionately if the loan amount is lower than ₹6 Lakh. The interest subsidy benefit is only available for loans that are disbursed on or after June 17, 2015.

The other scheme covers home loans to the Middle Income Groups – MIG 1 for borrowers having average annual household incomes between ₹6 Lakh and ₹12 Lakh and MIG II for borrowers with average annual household incomes

between ₹12 Lakh and ₹18 Lakh on home loans to Middle Income Groups. The interest subsidy is provided at a rate of 6.5% for 20 years or for the tenure of loan, whichever is lower.

The benefit of interest subsidy under the above schemes has also been extended till March 2019 from previous scheduled end date of 2017.

2. **Affordable Housing**- Affordable housing has been one of the key initiatives taken by government towards growth of real estate industry. Affordable houses will get a boost with GST being reduced from 12% to 8%. It will also be driven by a take-off in Credit Linked Subsidy Scheme (CLSS) for Economically Weaker Section (EWS), and Lower Income Groups (LIG). Allocation for EWS and LIG increased from ₹8 billion in FY17-18 to ₹10 billion in FY18-19. Also, the allocation for Middle income groups has been increased from ₹6 billion in FY17-18 to ₹10 billion in 2019. With a ticket size of ₹10 Lakh to ₹50 Lakh, affordable houses are being popular for buyers in tier 1 and tier 2 cities.
3. **Real Estate Investment Trust (REIT)** - REIT has been successfully approved by the SEBI. It is like a mutual fund, where money of various investors will be pooled together, and money will then be invested in a commercial property. This will allow investors to invest in real estate industry with even a small amount of ₹2 Lakh. The objective of REIT is to provide investors with dividends that are generated from capital gains accruing from sale of commercial assets. The trust will distribute 90% of income as dividends to its investors. REIT will not only safeguard investors, but it will also help the real estate industry to attract more investments. Over the years, REIT is expected to create an opportunity of ₹1.25 trillion investment in the real estate industry.
4. **Real Estate (Regulation & Development) Act (RERA)** - RERA was introduced to bring in transparency and organization into the real estate industry of India. Strict Compliance requirements established under RERA, introduced improved quality and timely completion of projects in the real estate industry. RERA will help to shift the real estate industry towards organization. It will also help in faster completion of long hauled projects by the developers.

(Source: Economic Times, MOHUA)

Outlook for Real Estate Industry

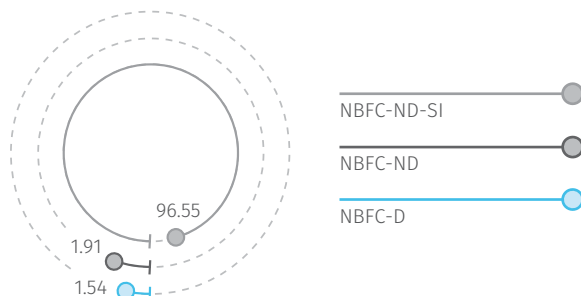
Urbanization in India is expected to reach 36% by 2020. The urban population is expected to reach at 590 million by 2030

from 340 in 2008. This will lead to a shortage of around 1 Crore houses which will further provide a scope for the real estate industry to grow. It is also expected that all the government initiatives will be the key drivers in this growth process. In the coming years, real estate industry is anticipated to experience new launches along with completions of various projects. The real estate industry is expected to grow at a rate of 30% in the next decade. (Source: RBI; Business Today & CRISIL)

NBFC INDUSTRY OVERVIEW

Non-banking Financial Institutions (NBFI) have always played an important role in financial service sector of India, when it comes to providing loans to the commercial sector. Non-Banking Financial Companies (NBFCs) specialize in meeting credit requirements and providing financial services. They provide financing for physical assets, commercial vehicles, assets of financial sector, and 76% of the total assets of NBFI. Around 11,522 NBFCs are registered under RBI, of which 178 are Deposit taking NBFCs, and 220 are Non-deposit taking and systemically important NBFCs. (Source: RBI report on trend and progress of banking in India)

Different categories of NBFC (in %)



Since the past few years, NBFCs have been experiencing a double digit growth, leading to stabilization of the economy on account of bridging the financial gap. Loans and advances grew at 6.6% in first half of FY17-18, as against 12.7 in FY16-17. NBFCs are estimated to grow at a moderate rate of 16-18% in FY17-18, higher than 15% in FY16-17. This growth is driven by rise in SME credit and other key target asset classes. The growth pressure of NBFC sector, is likely to be from Loans Against Property (LAP) and SME segment, which constitute 25% of the total retail NBFC credit.

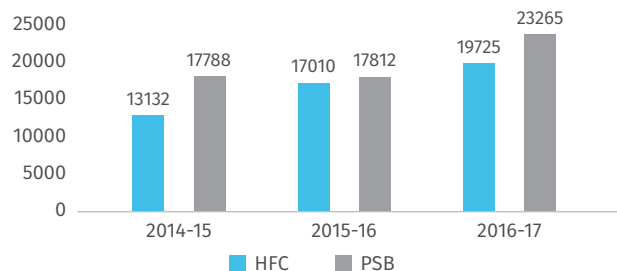
Outlook

With banking sector moving towards recapitalization, and Indian banks facing the challenge of increased Non-Performing Assets (NPAs) in their books, the NBFC sector is expected to get a boost. As the state-run banks will control their lending activities, NBFC sector is anticipated to grow, as more people will start coming to NBFCs for their credit requirements. The NBFC sector is expected to grow at a faster rate by 2020 and the NBFC sector's share in Indian credit market, is expected to grow at 19% by 2020 as against 12% in 2014. (Source: CRISIL)

HOUSING FINANCE COMPANIES (HFC) SECTOR OVERVIEW

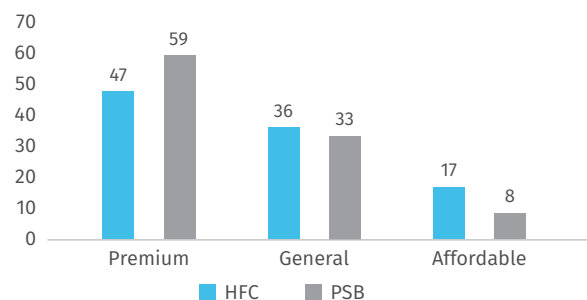
With the real estate sector accounting for 47% of the total loans granted by NBFCs, HFC sector has always been an important part of the NBFC sector. Since, the launch of affordable housing initiative by the government, home loans segment has been driven by the loans for affordable housing. There has been a growth of 16% in general housing segment. Fiscal 2018 has seen HFC sector growing at a constant rate with growth in affordable segment.

Disbursement of Loan upto ₹10 Lakh (in Crore)



(Source: RBI)

Share of Average Ticket size (in %)



(Source: CRIF's insight on Housing Finance)

GROWTH DRIVERS FOR HFC INDUSTRY IN INDIA

- **Growth in Affordable Housing segment** - Affordable housing has always been one of the key drivers of the real estate industry. The demand for affordable homes is expected to be 25 million homes by 2022. This will give a boost to the construction of affordable houses by the developers. Despite lower ticket size, affordable housing constitutes of 47.41% of the total HFC credit requirement. Thus, growth in affordable housing segment will augment the HFC sector. However the slow pace of lending activity under to PMAY-CLSS across major cities indicates that the desired supply is not available in the market.
- **Increase in urbanization** - It is expected that India will see a huge growth in urbanization with more people moving to urban cities for education or employment. This will increase the demand for houses in urban areas, thus resulting in boost for HFC sector.
- **Increase in per capita income** - The country is moving towards growth along with a rise in working population. This will lead to a rise in India's per capita income. Increase in per capita income will boost the demand for home loans, and thus will provide a growth trajectory for the HFC sector in India.
- **Edge over Banks** - The low ticket loan segment has different dynamics as compared to large ticket loan segment where the HFC's have an edge over the Bank. This will allow HFC sector, which has the required infrastructure and people skills to give more loans and to sustain the rising demand of home loans.

STRENGTHS OF CAN FIN HOMES

- **Diversified Product Portfolio** - Can Fin Homes Limited Offers 24 loan products under housing segment, non-housing segment, and customized for some category of customers. The product portfolio consists of individual loans for different purposes such as loans for rural housing, loans for urban housing, purchase of site and construction of houses thereon, loans for commercial property etc. The company also offers non-housing loans such as mortgage loans and personal loans. This extensive product portfolio will help the company to continue recording high growth.
- **Key market presence** - Indian economy will require huge amount of investment in infrastructure and housing segment in the coming years. Most of this investment will

be required by the housing segment in Tier 1 and Tier 2 cities. Can Fin has a well-established base to exploit these opportunities with a good presence in tier 1 and tier 2 cities.

- **Good asset quality** - Can Fin has maintained a good asset quality as compared to most of the other companies in the HFC sector. This has helped the company to maintain its pace of growth and it continues to have an advantage in terms of lower cost of borrowings.
- **Governance** - Over the years Can Fin has established a strong governance framework. Ethical business processes and transparency in operations has led to higher operational efficiency and business sustainability.

BUSINESS SEGMENT REVIEW

Lending operations

Despite slowdown in real estate market in some parts of the country, stiff competition from Banks & HFCs, Can Fin managed to hold its own and deliver a fairly consistent performance. During the year, housing loans and other loans sanctioned (loan approval) were to the extent of ₹5,760 Crore the quantum of loans disbursed was ₹5,207 Crore. The loan portfolio as at March 31, 2018 amounted to ₹15,743 Crore as against ₹13,313 Crore in the previous year, an increase of 18.25% Y-o-Y.

FY17-18 witnessed Can Fin Homes crossing three landmark figures, i.e., Loan Book of ₹15,000 Crore, NII of ₹500 Crore and PAT of ₹300 Crore.

The customer profile continues to be dominated by the salaried and professional category, accounting for 73% of the total portfolio, with 90.70% of the fresh loan approvals given to Housing sector. The average ticket size of incremental housing loan and non-housing loans are ₹18.08 Lakh and ₹8.73 Lakh respectively.

Loan products

24 loan products are offered to the public by CFHL, under housing and non-housing, tailor-made for the niche customer segment it caters to. The products basket covers individual housing loans for construction, purchase, extension, repairs and renovation, site purchase, composite loan, loans for rural housing, loans for urban housing etc and non-housing loans like mortgage loans, personal loans to existing customers, loans for commercial property, loans for rent receivables etc. CFHL introduced 4 new products, New Gruhalakshmi Rural Housing

Scheme, New Urban Housing Scheme, CFHL Nishchint for Pensioners and CFHL-Topup loan during the FY17-18.

Marketing and distribution

CFHL continued to upgrade its marketing and distribution network across 19 states in India, and opened 9 new branches and 4 satellite offices (SOs), in FY17-18. CFHL had pioneered the concept of Affordable Housing Loan centres to fall in line with the 'Housing for all' initiative by the Government in FY16-17 to exclusively provide smaller ticket size Loans under CLSS, (PMAY) Urban Housing (LUH) and Rural Housing schemes. Taking it forward, 10 SOs were identified and converted as AHLs during FY17-18. The total number of outlets as on 31.03.18 was 173 comprising 133 branches, 20 AHLs and 20 SOs in the FY17-18. During the FY18-19, CFHL proposes to open 25 branches / AHLs to enhance its coverage area further.

In addition to the above outlets responsible for augmenting business, direct selling agents (DSA) are empanelled to source proposals/leads throughout the country. However the control over the credit appraisal of these proposals, vests with CFHL. 687 active DSAs sourced 46 % of the total sanctions and 48% of disbursements during the year.

Funding Sources

Primarily Term loans, credit lines from banks, refinance from NHB, money market instruments like Non-Convertible Debentures (NCDs) and Commercial Papers (CPs), deposits from the retail market are the sources through which CFHL raises funds for its lending activities.

Credit Ratings as on March 31, 2017

For Deposits : "MAAA" with a negative outlook by ICRA for its deposit schemes

Borrowings from Banks : 'AAA' for Long-term 'rating' for term loans

Debentures :

- (i) **Secured Non Convertible Debentures :** AAA by CARE, India Ratings and Research Pvt. Ltd (FITCH), and ICRA Limited
- (ii) **Unsecured Non-Convertible Debentures :** AAA by CARE, India Ratings and Research Pvt. Ltd (FITCH), and ICRA Limited

Commercial Paper: A1+ rating by ICRA Ltd

RISK MITIGATION

Risk	Definition	Impact on company
Economy Risk	This risk comprises of the volatility that might take place in the economy. This includes change in RBI interest rates, downfall in particular sectors, a sudden crash in stock market, etc.	High
Industry Risk	A sudden slowdown that might render the industry unattractive for the investors as well as consumers.	High
Regulatory Risk	The regulatory risk includes any act or rule, any change in change which might affect the company's performance.	Medium
Competition Risk	In a perfectly competitive market there exists a risk for losing market share to competition.	Medium
Location Risk	The risk involves losing of business due to concentration at one place.	Medium
Funding Risk	The risk relates to unavailability of required funding sources at right time.	Low

Economy Risk

The Indian economy continues to be on a growth trajectory with significant investments to be made across the core sectors. Riding on development and investments, the economy is expected to be among the fastest growing economies in the world. Against this backdrop, the housing finance and real estate industry is expected to grow. The company will focus on increasing the non-housing segment disbursement to offset any unforeseen contingency in the housing finance sector.

Industry Risk

Can Fin is a part of the HFC sector, which is a growing sector. Thus, the industry in which the company deals in will not cease to exist, though it may face some slow down. Also, the company has successfully carved a position of leadership for itself.

Regulatory Risk

The company is regulated by various rules and regulations. Can Fin Homes Limited has always made sure it follows the security and risk regulations laid down by different regulatory bodies. In February 2018, several NBFCs were placed under high risk category by Finance Intelligence Unit. Can Fin was one of the few NBFC's not to be placed under this category showing that it successfully adhered to all the rules.

Competition Risk

The industry in which Can Fin deals in is a highly competitive industry. To maintain its market share, the company offers the best financial services to its customers. Can Fin has strived to provide loans and good services to its large customer base spread across the country.

Location Risk

Can Fin has 133 branch offices, 20 affordable housing loan centers and 17 satellite offices as on date. This has allowed the company to have a good presence across key regions in India.

Funding Risk

Can Fin's funding through various sources as NHB, banks, Commercial Paper, and Market borrowings at competitive interest rates helps expand its disbursement portfolio. The company has received highest credit ratings for various funding securities like secured and unsecured loan, deposits, Commercial Papers.

ASSET LIABILITY MANAGEMENT

At CFHL, risks pertaining to liability and interest rates are efficiently managed by a competent and responsible team. Adequate credit is arranged from time to time to ensure that no constraints are faced by the Company. Several banks and other financial institutions offer credit to CFHL which makes sure that the Company's business operations are not interrupted. The position of the Company's assets and liabilities is regularly monitored and reviewed by the ALM committee. The committee also takes effective measures to increase the Net Interest Margin. Periodical meetings of the Risk Management Committee, Board of Directors and the Audit Committee are held to review the financial risks.

INTERNAL AUDIT

The Company is equipped with an efficient internal control team which ensures its operational efficiency.

The Audit Committee of the board reviews several audit reports by Risk based Internal Audit (RBIA), National Housing Bank (NHB), Canara Bank, Internal Audit Reports of different branches of the Company. The reports of standalone 'Application audit of IT systems' by the IT auditors and special audit for evaluating "efficiency of existing internal control systems" have been reviewed by the Audit Committee. In addition to that, the operation and performance of the audit department are also reviewed by the committee at quarterly intervals. The Board has been reviewing 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 half-yearly intervals as per the regulatory guidelines.

All policies are critically analysed by the Risk Management Committee of the Board and reviewed/approved by the Board annually.

ASSET QUALITY

Risk assessment of the customers is made at the time of initial appraisal for the purpose of pricing and granting the loans. The company also makes a portfolio risk analysis at frequent intervals with its stringent review mechanism.

Gross NPA as on March 31, 2018 stood at ₹67 Crore (0.43%) as against ₹28 Crore (0.21%) of loan outstanding during the previous year, one of the lowest in the industry. The follow-up of the Special Mention Accounts (SMA) at the nascent stage along with technological assistance has helped arrest slippages into NPA. Special campaigns were conducted every quarter for all the branches with the active involvement of their staff.

On account of CFHL's unyielding focus on asset quality, the Company has been able to maintain one of the lowest GNPA levels among its peers.

OVERVIEW

1. Outstanding loan book grew by 18.30%.
2. Operating profit, net profit up by 24% and 28% YOY respectively, backed by NII growth of 21%.
3. Gross NPA continues to remain low at 0.43%.
4. 90.50% of fresh loan approvals during the year were for housing and 10.50% for non-housing loans.
6. Average ticket size of incremental housing loans and non housing loans are ₹18.08 Lakh and ₹8.73 Lakh respectively.

7. 73% of the total loan book as of March 2018 comes from salaried and professional segment.

OUTLOOK FOR 2018-19

1. Business budgets for 2018-19 : Loan book size of ₹19,500 Crore (from ₹15,743 Crore at March 18) in line with the Vision of ₹40,000 Crore for FY21-22.
2. Branch expansion plan for 2018-19: 24 new Branches and Affordable Housing Loan Centres
3. Increased thrust on Affordable housing.
4. Salaried and Professional category would continue to be niche segments

FINANCIAL REVIEW AND ANALYSIS, FY17-18

Basis of preparation

The financial statements of the Company were prepared in accordance with generally accepted accounting principles (GAAP) in India. The financial statements were prepared to comply in all material respects with the accounting standards notified by Companies (Accounting Standards) Rules, 2006, as amended, and the relevant provisions of the Companies Act, 2013.

Financial performance review, FY17-18

Particulars	(₹ in Crore)		
	2017-18	2016-17	Growth
Total Income	1547.06	1353.12	14%
Total Expenditure	1066.91	964.74	11%
PBT	458.06	370.17	24%
PAT	301.77	235.26	28%
EPS (₹)	22.67	17.68	28%

* EPS adjusted to Face Value of ₹2/-per Equity Shares (Subdivision with effect from 13/10/2017)

ANALYSIS OF PROFIT & LOSS

- Gross earnings of the Company during FY17-18 increased by 14% over previous year while expenses were contained at 11% resulting in a 24% rise in Operating Profit from ₹388.38 Crore in FY16-17 to ₹480.16 Crore in FY17-18.
- PAT for the year, at ₹301.77 Crore clocked a Y-o-Y growth of 28% and PBT for the same period grew by 24% to ₹458.06 Crore.
- The cost of the Company's employee benefits increased by 12% from ₹39.36 Crore in FY16-17 to ₹44.16 Crore in FY17-18.
- NIM for the year stood at 3.53% compared to 3.54% in FY16-17.
- ROE for the year under review stood at 24.91% against 24.08% in FY16-17. ROA improved to 2.09% from 1.97% for the previous year.
- The Company's cost to income ratio for the year under review improved to 15.21% compared to 17.02% in FY16-17.
- For the 3rd successive year, the Company declared 100% dividend representing a payout ratio of 8.82% (excluding taxes).

Analysis of Balance Sheet

Sources of Funds

(₹ in Crore)				
Particulars	2017-18	% of Capital	2016-17	% of Capital
Equity share capital	26.63	0.17%	26.63	0.20%
Reserves & Surplus	1319.86	8.56%	1049.68	8.04%
Net worth	1346.49	8.73%	1076.31	8.24%
Loan funds	13924.75	90.35%	11872.41	90.89%
Deferred Tax Liability	141.24	0.92%	113.65	0.87%
Capital Employed	15412.48	100%	13062.37	100%

Capital employed

The total employed capital of the Company for FY17-18 stood at ₹15412.48 Crore, an increase of 18% from the previous year.

The long term borrowings of the Company as on March 31, 2018 stood at ₹8,721.25 Crore compared to ₹8,028.25 Crore in FY16-17, an increase of 8.63%. The return on equity increased from 21.86% in FY16-17 to 22.41% in FY17-18.

The equity capital was similar to last year, whereas the net worth increased by 25.10% mainly on account of the increase in the reserves and surplus.

The Company's CAR (Capital Adequacy Ratio) as on March 31, 2017 stood at 19.08%, while the NHB's stipulation was 12%.

Net worth

The Company's net worth was ₹1,314.44 Crore (net of Dividend cost) as on March 31, 2018, which increased by nearly 26% compared to the previous year's ₹1044.25 Crore as on March 31, 2017.

Reserves and surplus: The reserves and surplus increased from ₹1017.63 Crore as on March 31, 2017 to ₹1287.81 Crore as on March 31, 2018 (net of Dividend cost).

Loan funds

The total long-term borrowings of the Company as on March 31 2018 stood at ₹8,721.25 Crore compared ₹8,028.25 Crore as on March 31, 2017. The gearing ratio stood at 10.34 at the year end well within the permitted limit of 16 times of the Company's net owned funds.

Application of funds**Fixed Assets**

The net block of Fixed Assets of the Company reduced by 6% at ₹9.57 Crore as compared to ₹10.17 Crore as on March 31, 2017.

Correspondingly, depreciation expenses decreased by 17% from ₹3.73 Crore in FY16-17 to ₹3.09 Crore in FY17-18.

Investments

Non-current investments of the Company remained at ₹15.94 Crore as on March 31, 2018.

Cash and bank balances

The cash and cash equivalent for the year stood at ₹19.02 Crore compared to ₹19.95 Crore in the previous year.

Taxation

The Company's total tax liability increased by 12% to ₹128.69 Crore as on March 31, 2018 from ₹115.13 Crore as on March 31, 2017. The Company's deferred tax liability (DTL) for the year stood at ₹27.60 Crore compared to ₹19.78 Crore in FY16-17, an increase of 40%.

Prudential norms for housing finance companies (HFCs)

The National Housing Bank (NHB) has issued certain regulatory guidelines to HFCs on prudential norms for income recognition, borrowing powers, provisioning, asset classification, capital adequacy, concentration of credit/investments, accounting standards, credit rating, KYC (Know Your Customer), Fair Practice Code, Most Important Terms & Conditions (MITC) grievance redressal mechanism, recovery of dues, real estate and capital market exposure norms. CFHL has complied with all these regulatory guidelines.

According to the NHB prescribed prudential norms, an asset is a NPA in case the interest or the principal installment is overdue for 90 days. HFCs have to make provisions at prescribed rates depending on the age of the overdues and the income on such NPAs is not to be recognised. Apart from the provisioning on NPAs, HFCs are also required to carry a provision of 0.25% on standard individual housing loan, 0.75% of commercial real estate-residential properties and 1% on other individual non-housing loans/loans to developers. CFHL has complied with all the regulatory norms as prescribed by the NHB.

CFHL has carried adequate provisions on standard assets and as per requirement created 63% provisions for the NPA.

Human Capital

CFHL believes that the strength of the company depends on the commitment, dedication and professionalism of its workforce and its mission is to maximize the productivity of the company by optimizing the effectiveness and simultaneously improving the work life of the staff.

CFHL has introduced a single window matrix for quarterly evaluation of the performance of the staff with a fair and transparent system driven Performance Appraisal process. The company has promoted performance driven culture through reward and recognition schemes. CFHL's talent acquisition process includes induction of manpower with right skill sets and attitude, both under direct and lateral hiring routes. During FY17-18, the Company has recruited specialist officers, i.e., Chartered Accountant, Company Secretary, Legal Officers, Risk Officers etc. With an average employee age of 34 years, CFHL has a good mix of energy and experience. Considering the growth of the company and increase in the scale of operations, the company has plans for fresh recruitment across various cadres during 2018-19. The total number of employees as on March 2018 was 648.

IT and Security

All the branches and the Registered Office are linked through a core-banking platform (Integrated Business Suite) under the Application Service Provider (ASP) Model. The Company is in advanced phase for implementation of MPLS links through BSNL for a higher bandwidth and dedicated uptime.

In order to improve operational efficiency, your Company embarked on technology initiatives like implementation of C-KYC (Central KYC) solution. The CKYC will act as centralized repository of KYC records of customers in the financial sector with uniform KYC norms and inter-usability of the KYC records across the sector. Your Company is in process to revamp the existing website to make it interactive and more user friendly.

Your Company has introduced online Application Module in its website and a customer portal to access account statements/certificates and online money transfer. Your Company also provides SMS alerts and missed call facility to provide information on loan balances.

The Company has set up a in-house team of IT professionals drawn from reputed institutions / firms to enhance IT capabilities.

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 a 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

CFHL has constituted a Corporate Social Responsibility (CSR) Committee of the Board and has put the CSR policy in place. The Company's CSR Policy focusses on promoting holistic education including special education and employment enhancing vocation skills, promoting gender equality through women empowerment, setting up homes, hostels, old age homes, day centres for women and orphans and senior citizens. These measures attempt to reduce inequalities faced by socially and economically backward groups. During the year under review, CFHL spent ₹3.38 Crore towards various activities.

The particulars of the amount to be spent and reasons for not spending the balance, if any, are furnished in the Directors' Report. The Company's policy on Corporate Social Responsibility is uploaded on the Company's website for the information of all the stakeholders.

Cautionary Statement

The statements made in this report describing the Company's objectives, estimations, expectations or projections, outlooks constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may differ from such expectations, projections, among others, whether express or implied. The statements are based on certain assumptions and future events over which the Company has no direct control. The Company assumes no responsibility to publicly amend, modify and revise any of the statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Place: Bengaluru
Date : April 28, 2018

K N Prithviraj
Chairman

REPORT OF DIRECTORS

1. FINANCIAL RESULTS

The financial performance for the FY17-18 is summarised here below:

Particulars	₹ in lakhs	
	Year ended March 31, 2018	Year ended March 31, 2017
Profit before Tax & Provisions	48,015.56	38,838.06
Less: Provision for Standard Assets	210.00	1,065.00
Provision for Doubtful Debts (Written Back)	2,000.00	815.38
Prior Period adjustments	0.00	(58.85)
Profit before Tax	45,805.56	37,016.53
Less: Tax expenses:		
(a) Provision for Tax - Current Year	13,203.00	11,513.00
- Previous Year	(334.38)	0.00
(b) Deferred Taxation	2,759.52	1,977.65
Profit after Tax	30,177.43	23,525.88
Balance brought forward from previous year	35.20	114.58
	30,212.63	23,640.46
Appropriations:		
Transfer to Special Reserve u/s.36(1)(viii) of the Income Tax Act, 1961	8,300.00	6,400.00
Transfer to General Reserve	12,000.00	9,200.00
Additional Reserve (u/s.29C of the NHB Act)	6,100.00	4,800.00
Proposed Dividend [#]	-	-
Tax on Distributed Profits	-	-
Balance carried forward to balance sheet	3,812.63	3,240.46
	30,212.63	23,640.46

[#]The proposed dividend of ₹2/- per equity share and tax thereon are not recognised as liability in the annual accounts as at March 31, 2018 (in compliance of para 8.5 of AS 4 - contingencies and events occurring after the Balance sheet date). The same will be considered as liability on approval of shareholders at the 31st Annual General Meeting.

2. SHAREHOLDERS' WEALTH

Particulars	₹ in lakhs	
	Year ended March 31, 2018	Year ended March 31, 2017
Earning Per Share (EPS) (₹)	22.67	17.68
Dividend Rate	100%	100%
Market Price of shares (₹)*	484.50	424.29
Market Capitalisation (₹ in crore)	6451.13	5643.03

*The face value of shares have been sub-divided into shares of ₹2/- each w.e.f. October 13, 2017. As at March 31, 2017 the market price of eq. shares of ₹10/- each was ₹2121.45 (NSE).

3. BUSINESS PERFORMANCE HIGHLIGHTS

a. Sanctions

During the year, the Company has sanctioned loans amounting to ₹ 5760 Crore as compared to ₹5451 Crore in the previous year, recording a growth of 6%. In spite of continued sluggishness in the real estate market post demonetization, teething troubles of RERA and GST implementation, your Company managed to show a slender margin of positive growth, in approvals, during 2017-18.

During the year, as in the previous year, thrust was given to retail (housing and non-housing) loan segment. 89.50% of fresh loan approvals during the year were for housing and 10.50% were for non-housing loans. The cumulative loan sanctions since inception of your Company stood at ₹32122 Crore at the end of the FY18. Average ticket size of incremental housing loans and non-housing loans are ₹18.08 Lakh and ₹8.73 Lakh, respectively.

b. Disbursements

During the year, the Company has disbursed loans amounting to ₹5207 Crore as compared to ₹4792 Crore in the previous year, recording a growth of 9%. The cumulative loan disbursements from inception to the end of the FY18 was ₹28290 Crore.

c. Loans outstanding (Loan Book)

Your Directors are pleased to report that the total loan outstanding as at March 31, 2018 was ₹15743 Crore, recording a growth of 18% over last year (previous year ₹13313 Crore).

During the year, non-housing loan portfolio has increased from ₹1546 Crore to ₹1654 Crore indicating a growth rate of 7%, which constitutes 10.50% of total portfolio.

d. Non-Performing Asset (NPA)

The Gross NPA of your Company as on March 31, 2018 was contained at ₹67.49 Crore (previous year ₹27.91 Cr.). The net NPA as on date was ₹31.62 Crore, with the NPA provision Coverage Ratio at 63% during the year. The gross NPA percentage as on March 31, 2018 stood at 0.43% compared to 0.21% as on March 31, 2017.

During the year under review, your Company could make a cash recovery of ₹9.10 Crore (previous year ₹4.08 Cr.) in respect of accounts which were Non Performing Assets.

e. Profits

Your Directors are happy to inform that during the year under review, your Company recorded an Operating Profit of ₹480.16 Crore (previous year ₹388.38 Crore), Profit Before Tax (PBT) of ₹458.06 Crore (previous year ₹370.17 Crore) and Profit After Tax (PAT) of ₹301.77 Crore (previous year ₹235.26 Crore) registering a Year-on-Year increase of 24%, 24% and 28%, respectively. During the year Company has made provisions for standard assets amounting to ₹2.10 Crore (previous year ₹10.65 Crore), provisions for Non-performing assets amounting to ₹20.00 Crore (previous year ₹8.15 Crore), provisions for Taxation and Deferred Tax Liability amounting to ₹156.28 Crore (previous year ₹134.91 Crore).

f. Dividend

Your Company has been paying dividends continuously. Your directors, after giving due consideration to Capital Adequacy requirements, projected business plan for the year, deferred tax liability and the dividend policy, are happy to recommend a dividend of ₹2/- per equity share (100%) for the third successive year, for the financial year ended March 31, 2018. The amount of dividend recommended for payment for the year under review is ₹26.63 Crore. The tax on dividends u/s.115-O of the Income Tax Act, 1961, at about 20.36% (₹5.42 Crore) is being paid to the Government by your Company. The Dividend Distribution Policy as required under regulation 43A has been provided as Annexure-4 to this report.

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 and satellite offices have been opened in various parts of the country after examining the potential on the basis of surveys conducted.

During FY18, 9 new branches and 4 satellite offices were opened and 10 Satellite offices were upgraded to Affordable Housing Loan Centres (AHLs), which exclusively provide smaller ticket size Loans under Credit Linked Subsidy Scheme (CLSS)(Pradhan Mantri Awas Yojana), Loans under Urban Housing (LUH) and Loans under Rural Housing (LRH) schemes. Under this initiative, the second tranche of 10 AHLs were opened during FY18 by upgrading existing satellite offices. As at the end of FY18, your Company has an expanded network of 173 outlets spread

across 19 states comprising 133 branches, 20 AHLCS and 20 Satellite Offices.

During the FY19, your Company has plans to open 20 more branches / AHLCS, taking the total number of outlets to about 190. The Branches of your Company as well as the Registered Office are operating in spacious premises situated in good and accessible localities with the objective of providing pleasant environment and convenient amenities to our customers.

5. TECHNOLOGY INITIATIVES

All the branches and the Registered Office are linked through a core-banking platform (Integrated Business Suite) under the Application Service Provider (ASP) Model. The Company is in advanced phase for implementation of MPLS links through BSNL for a higher bandwidth and dedicated uptime.

In order to improve operational efficiency, your Company embarked on technology initiatives like implementation of C-KYC (Central KYC) solution. The CKYC will act as centralized repository of KYC records of customers in the financial sector with uniform KYC norms and inter-usability of the KYC records across the sector. Your Company is in process to revamp the existing website to make it interactive and more user friendly.

Your Company has introduced online Application Module in its website and a customer portal to access account statements/ certificates and online money transfer. Your Company also provides SMS alerts and missed call facility to provide information on loan balances.

The Company has set up a in-house team of IT professionals drawn from reputed institutions / firms to enhance IT capabilities.

6. CUSTOMER-FRIENDLY INITIATIVES

The Company continues to follow transparent, fair and impartial practices which engulf all the customers across branches. Information related to our Company, products, schemes and charges are made available in the website of the Company. As per NHB directions, the Fair Practices Code (FPC) and Most Important Terms and Conditions (MITC) are regularly updated and uploaded in the Company's website for disseminating the information to our customers, clients and general public.

All their respective accounts related information can also be accessed by the borrowers on the Customer Portal.

As a customer friendly initiative, under CSR activities, our branches are providing tree saplings along with tree pots and guards.

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 ₹90.00 Crore (previous year ₹441.21 Crore) under the NHB refinance scheme. The cumulative NHB borrowings as on March 31, 2018 were ₹2,083.10 Crore (previous year ₹3,375.03 Crore), with the overall cost of borrowing (including the loans under Rural Housing and Urban Housing Schemes) of 7.57% p.a. as on March 31, 2018.

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 derive the maximum benefit of competitive interest rates. The lenders included State Bank of India, Lakshmi Vilas Bank, Federal Bank and HDFC Bank apart from Canara Bank, the principal bankers to the Company. The aggregate bank borrowings (term loans plus overdraft) at the end of the financial year stood at ₹4,635.74 Crore (previous year ₹2,247.65 Crore); the overall borrowings are within regulatory ceiling of 16 times of net owned funds.

The overall cost of borrowings from banks was 8.03% p.a. as on March 31, 2018. During the year, the long-term 'rating' of the Company for term loans was '[ICRA] AAA' (pronounced ICRA triple A) with a negative outlook signifying the highest degree of safety with regard to the timely servicing of financial obligations.

b. Debentures

(i) Secured Non-Convertible Debentures

In its continuing efforts to reduce funds cost, your Company issued Secured Redeemable Non-Convertible Non-Cumulative Taxable Debentures (SRNCD)

aggregating ₹1,400 Crore (previous year ₹1,862 Crore) in different tranches through private placement with a coupon rate range of 7.32% to 7.89%. 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 investors in these debentures comprised major insurance companies, public sector banks, corporates and investors of repute, indicating their safety perception in your Company's fundamentals and prospects.

The tenure of 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, 2018 was ₹4,802 Crore (previous year ₹3,602 Crore) while the overall cost was 8.14% p.a.

The debentures were rated 'IND AAA' (Outlook Negative) by India Ratings and Research Pvt. Ltd (FITCH), CARE AAA' (Under credit watch with developing implications) by CARE Limited and 'ICRA] AAA' (Outlook Negative) by ICRA Limited. 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 ₹6,000 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 'IND AAA' (Outlook Negative) long-term rating by India Rating & Research Pvt Limited (FITCH), CARE AAA' (Under credit watch with developing implications) by CARE Limited and 'ICRA] AAA' (Outlook Negative) by ICRA Ltd. Your Company has serviced the interest on the above debentures on the due date.

c. Commercial Paper

Your Company mobilises funds through commercial paper (CP). The outstanding at the end of the March 2018 was ₹2,075.62 Crore (previous year ₹2,320.62 Crore). The effective cost of funds was 6.59% p.a. The CP issue by your Company was rated at the maximum [ICRA] A1+ rating by ICRA Ltd., and CARE A1+' (Under credit watch with developing implications) by CARE Limited indicating, 'Instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations'.

d. Deposits

During the year your Company accepted deposits of ₹122.71 Crore (Previous year ₹149.93 Crore). The outstanding balance of deposits (including interest accrued, but not due) as of March 31, 2018 was ₹228.30 Crore (previous year ₹226.65 Crore). The rate of interest on public deposits ranged from 7.00% to 7.75%, while the overall cost (average) of deposits was 8.46% p.a. as on March 31, 2018.

As on March 31, 2018, a sum of ₹8.81 Crore relating to 762 accounts of public deposits (₹20.09 Crore as on March 31, 2017 relating to 1,020 accounts) remained unclaimed/overdue. Of this amount, a sum of ₹1.86 Crore relating to 67 accounts (previous year ₹ 2.29 Crore relating to 140 accounts) were claimed and renewed/settled upto May 15, 2018. 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' (pronounced as M Triple A) with a negative outlook, 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 with regard to deposit acceptance and renewal. Your Company is exempted from the applicability of the Companies (Acceptance of Deposits) Rules 2014.

e. Mortgage-backed securities

Your Company did not opt for any securitisation during the year under review or during the previous year. There were no securitised assets outstanding as on March 31, 2018.

8. REGULATORY COMPLIANCES

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

Your Company adhered to the prudential guidelines for non-performing assets (NPAs) as per the National Housing Bank (NHB) Directions 2010, as amended from time to time. Your Company complied with the guidelines and directions issued by NHB on withdrawal of pre-closure charges for all loans. The Guidelines/ norms for 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, Customer Redressal Mechanism 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.

As per the National Housing Bank Circulars NHB.HFC.DIR.4/ CMD/2012 dated January 19, 2012, NHB.HFC.DIR.9/CMD/2013 dated September 06, 2013 and NHB.HFC.DIR.18/MD & CEO/2017 dated August 02, 2017, your Company has made a general provision @:

- (i) 1% of Standard Assets in respect of Commercial Real Estates other than Residential Housing,
- (ii) 0.75% of Standard Assets in respect of Commercial Real Estate – Residential Housing, and
- (iii) 0.25% of the total outstanding amount of loans, which are Standard Assets other than (i) and (ii) above.

Loans to individuals for third dwelling unit onwards are treated as Commercial Real Estate (CRE) exposure. A provision of ₹2.10 Crore was made in the books as on March 31, 2018 and the cumulative provision in that regard stood at ₹64.75 Crore as on the above date. The recognition of income and provision for all assets was made in the books as per the Guidelines on Prudential Norms applicable as of March 31, 2018.

During the year the NHB has issued new directions for Housing Finance Companies viz,

i) Implementation of Indian Accounting Standards (Ind AS)

National Housing Bank (NHB) has clarified in terms of paragraph 24 of the Housing Finance Companies (NHB) Directions, 2010 ("Directions") on Indian Accounting Standards, that the Accounting Standards and Guidance

Notes issued by the Institute of Chartered Accountants of India shall be followed in so far as they are not inconsistent with any of the Directions. Accordingly, HFCs are directed to follow the extant directions on Prudential Norms, including on asset classification, provisioning etc. issued by the NHB. With regards to the implementation of Ind AS, HFCs are advised to be guided by the extant provisions of Ind AS, including the date of implementation.

- ii) Acceptance of public deposits - Amendments to Para 6 and 12 of the Housing Finance Companies (NHB) Directions, 2010 (principal Directions) w.e.f. December 08, 2017.

The National Housing Bank (NHB), vide its Notification No. NHB.HFC. DIR.20/ MD&CEO/ 2017 dated December 08, 2017, has amended the following:

1. Para 6 of the principal Directions, which has come into effect from December 08, 2017, for public deposits of individuals for auto renewal of deposits by taking depositor's consent in the deposit application itself.
2. Para 12 of the principal Directions, which has come into effect from December 08, 2017, for premature payment to the survivor, nominee, legal heirs at their request at the contracted rate for the period run after submission of proof of death.

Your Company has taken steps to comply with the requirements of all the applicable provisions of the above Directions for FY18 including implementation of Ind AS.

In terms of the Directions, the Company has given the Related Party Transactions Policy as Annexure 5 to this Report.

Your Company has complied with requirements as per Para 29 of the Housing Finance Companies (NHB) Directions 2010 except for one instance detailed below:

National Housing Bank (NHB) in its regulatory Audit conducted during the FY 16-17, for FY 14-15 & FY 15-16 has raised an issue on procedure followed by the Company since inception on the valuation of Government securities under HTM category invested for SLR purpose. NHB vide its letter NHB (ND)/DRS/ SUP/9349/2017 dated 19/09/2017 has imposed aggregate penalty of ₹28,62,708.00 under the provisions of Section 29B of the National Housing Bank Act, 1987 for the period 01/04/2014 to 27/07/2016 and the same is paid.

The NHB had conducted Audit of 2015-16 and 2016-17 during the previous year and your Company has complied with the observations and has submitted the final replies to NHB.

Your Company has complied with the Accounting Standards issued by the ICAI, New Delhi, and other related statutory Guidelines/Directions as applicable to the Company from time to time. Compliance of all Regulatory guidelines of NHB/other statutes are periodically reviewed at Audit Committee/Board.

(b) IRDA Compliance

During the year, the Company has registered itself 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

(c) Other Compliances

- (i) The Company has 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.
- (ii) As required under Section 215 of the Insolvency and Bankruptcy Code, 2016, the Company has registered itself with National e-governance Services Limited (NeSL)

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 17-18. In accordance with Sec 134 (3) (a) of the said Act, amended provision, the provisional Annual Return in the prescribed format has been made available on the website of the Company at [www.canfinhomes.com /Investors/31st Annual General Meeting \(path\)](http://www.canfinhomes.com/Investors/31stAnnualGeneralMeeting(path)). The extract of Annual Return (MGT-9) is placed as Annexure 10. During FY 17-18 the Company had allotted 52915 Nos. of equity shares to Mr.Koshy George and three others as per the judgement of the Hon'ble High Court of Kerala in the Writ Petition. Further during October 2017, the equity shares of the Company of face value of ₹10/- were sub-divided into equity shares of ₹2/- each. For more details regarding Compliance, please refer the Secretarial Audit Report (Annexure 3).

10. CAPITAL ADEQUACY

The Capital Adequacy Ratio (CAR) of your Company as at March 31, 2018 was 19.08% (previous year 18.50%), well above the Regulatory benchmark of 12% 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 LIABILITY (DTL)

During the year, Deferred Tax Liability (net) of ₹27.60 Crore (previous year ₹19.78 Crore) was charged to the Statement of Profit & Loss, on account of various components of asset & liabilities including Special Reserve. The DTL outstanding at the end of the March 2018 was ₹141.24 Crore (previous year ₹113.65 Crore).

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

During the year, your Company initiated action against 373 defaulting borrowers under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest ("SARFAESI") Act, 2002 and recovered ₹15.50 Crore (previous year ₹8.94 Crore) from borrowers of Non-Performing accounts. Of this ₹6.69 Crore (previous year ₹3.80 Crore) was recovered by way of sale of assets under SARFAESI. This apart ₹1.30 Crore was recovered in Written off accounts (Previous year ₹0.37 Crore).

14. LISTING OF SECURITIES

The equity shares of the Company are continued to be listed on the BSE Limited (BSE), Mumbai, and the National Stock Exchange of India Ltd. (NSE), Mumbai. The listing fee payable to these Stock Exchanges were paid before the due dates.

15. HUMAN RESOURCES DEVELOPMENT

The total number of employees of the Company was 648 (594 regular and 54 on contract) as on March 31, 2018 as against 626 (471 regular and 155 on contract) as at the end of the previous year. Attrition rate stood at about 3.50% for regular employees, which is far below the industry level.

To upgrade knowledge/skill of the employees, select employees were deputed for training programmes/ seminars organised by the National Housing Bank and other reputed institutions. During the year, training in credit, information technology,

human relations, finance, taxation, marketing, fraud prevention and other topics of importance were imparted to employees and executives. Your Company has put in place a series of HR measures including promotions, appropriate employee recognition and reward schemes. Industrial relations in your Company continued to be cordial during the year.

Particulars of Employees:

During FY17-18, your Company had not employed anyone with a remuneration of ₹102 Lakh or more per annum nor had employed for a part of the year with a remuneration of ₹8.5 Lakh or more. 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. The ratio of the remuneration of Managing Director to the median remuneration of the employees (regular employees) of the Company for the FY17-18 was 2.72: 1 (Non-executive directors and Independent Directors are eligible for sitting fee only)
- ii. The percentage increase in remuneration in the financial year under the head Managing Director was 7.27%, (the remuneration of Managing Director is as per the Service Regulations of Canara Bank in terms of the resolution passed by the members at the General Meeting for appointment in the Company).

The Chief Financial Officer and the Company Secretary are employees of the Company and the percentage increase in their remuneration was 10.77% and 21.28 % respectively.
- iii. The percentage increase in the median remuneration of employees in the financial year is 9.32%.
- iv. Apart from 594 permanent employees on the rolls of the Company, there were 54 employees on contract as on March 31, 2018.
- v. Average% increase in remuneration of the employees other than managerial personnel as against that of Managerial remuneration was around 10% during the period under review.

The Company affirms that the remuneration is as per the remuneration policy of the Company.

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 FY17-18 no cases of sexual harassment were reported.

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 9.

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, unclaimed deposits/ other dues for the previous seven years as of the date of the Annual General Meeting 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, 2018, dividends aggregating to ₹152.72 Lakh (previous year ₹124.18 Lakh) relating to dividends declared for the years FY10-11 to FY16-17 (of which ₹35.51 Lakh related to dividend for the year 2017), 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 2009-10, which remained unclaimed/unpaid amounting to ₹6.37 Lakh (in respect of 1,917 shareholders), was transferred to IEPF on September 09, 2017, 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 2010-11 remaining unclaimed and unpaid, amounting to ₹8.65 Lakh (in respect of 2,103 shareholders) as on March 31, 2018, would be transferred to IEPF during August 2018 after settlement of the claims received up to the date of completion of seven years i.e. on August 24, 2018.

b. Unclaimed deposits

As required under Section 125 of the Companies Act, 2013 (corresponding Section 205C of the Companies Act, 1956), the unclaimed and unpaid deposits together with interest for the year 2009-10 amounting to ₹10.41 Lakh (previous year ₹0.72 Lakh) that remained unclaimed and unpaid for a period of 7 years were transferred to IEPF during the year under review.

c. 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 2004 to 2010, which have already been transferred to IEPF on lapse of 7 years (during 2011 to 2017 respectively), 364 shareholders had not claimed dividend for consecutive 7 years and their shares 248050 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, three 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, October 31, 2017, 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).

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

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.

Your Directors are pleased to inform that Solar Power systems and power saving lamps have been installed in 16 branches so far as a measure for conservation of energy. Your Company has installed Solar-UPS 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).

During the year, your Company did not earn any income or incur any expenditure in foreign currency/exchange other than payment of Dividend to NRIs on repatriation basis to an extent of ₹30.82 Lakh through authorised dealers.

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 and Remuneration Committee:

- (1) Smt Bharati Rao, Former DMD of State Bank of India, was appointed as an additional director and Independent Director with effect from September 05, 2017.
- (2) Shri Shreekant M Bhandiwad, DGM of Canara Bank has been appointed as an additional Director and Whole-time Director (designated as Dy. Managing Director) by the Board w.e.f April 28, 2018.

The directors had filed their consent(s) and declarations 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 proposals relating to the appointment and re-appointment of directors will be placed for approval by members at the ensuing Annual General Meeting.

The particulars of directors including their profile are provided in the Report of Directors on Corporate Governance forming part of this Annual Report. Further, the agenda relating to appointments / re-appointments of Directors are provided in the Notice of the 31st 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 forming part of the said Notice for the information of members.

Smt. Shamila M, Dy. General Manager, reporting to the Managing Director has been appointed as an additional Key Managerial personnel w.e.f. April 28, 2018, in terms of the Companies (Amendment) Act, 2017.

Retirement by rotation:

In terms of Section 152 and all other applicable provisions of the Companies Act, 2013, and the Articles of Association of the Company, Shri S A Kadur, Director, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The particulars relating to Shri S A Kadur, Director are provided in the Report of Directors on Corporate Governance. Your Directors recommend the re- appointment of Shri S A Kadur as a Director.

The agenda relating to re-appointment of Shri S A Kadur, Director, forms part of the notice convening the ensuing Annual General Meeting and all other relevant information as per SEBI Regulations are also provided in the explanatory statement.

19. MEETINGS OF THE BOARD

During the year, 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 the 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, in relation to the Board of Directors and the Committees of the Board.

Committees of the Board

Currently the Board has six Committees viz. the Audit Committee, the Nomination, Remuneration & HR Committee, the Corporate Social Responsibility Committee, the Stakeholders Relationship Committee, the Risk Management Committee and the Management 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, the Board of Directors report that:

- a) in the preparation of annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures, if any;
- b) the Directors have 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 at the end of the financial year and of the profit and loss of the Company for that period;
- c) the Directors have 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 have prepared the annual accounts on a going concern basis;

- e) the Directors, in the case of a listed Company, have 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 have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

The Independent Directors have given declarations to the Company in terms of Section 149(7) of the Companies Act, 2013, that they meet the criteria of independence as provided in Section 149(6).

Code of Conduct

In terms of Regulation 26(3) of the SEBI (Listing Obligations and Disclosure Requirements) 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 FY17-18. 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 enclosed to this Report as Annexure 2.

21. NOMINATION REMUNERATION AND HR COMMITTEE (NRC) POLICY

Your Company has constituted a Nomination Remuneration and HR Committee (NRC) of the Board in terms of Section 134(3) (e) 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 [http://www.canfinhomes.com/Investors/CorporateGovernancedocuments\(path\)](http://www.canfinhomes.com/Investors/CorporateGovernancedocuments(path)) in terms of Section 134(3) (p) of Companies Act, 2013. For web link please refer Annexure 9.

The Board ensures the annual evaluation of its own performance and that of its Committees and 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 focussed in promoting education including special education and employment in enhancing vocation skills especially among children. The other areas of focus are women empowerment by promoting gender equality, setting up homes and hostels for women and orphans; setting up old age homes, day care centres, livelihood enhancement projects for the elderly & the differently abled and healthcare sector. During the year the company also worked in the environmental sustainability by planting trees/saplings.

As a well thought out strategy, all CSR projects of the Company are executed through our own branches with a view to inculcate a sense of social responsibility amongst the staff. The total amount/ budget under CSR for the FY 2017-18 was ₹668 lakh, (previous year ₹401 lakh), out of which total amount spent under the CSR activities is ₹338 Lakh (previous year ₹436 Lakh). The unspent amount of ₹330 Lakh is carried forward as per provisions of Companies Act with the aim to go in for granular

details/ appropriate projects before spending in FY 18-19. A summary of CSR details as on 31/03/18 is given below:

Sl No.	Activities undertaken	No. of Beneficiaries	Amount in Rupees
1	Construction/ repair & renovation of Schools/ Hostels	7	71,57,395.00
2	Desks & benches/ Tables/ Almirah/ Green Board/ Chairs etc.	57	143,08,670.00
3	Drinking water facility/ supply of other articles of necessity etc.	12	17,61,873.00
4	Nalli kalli round tables/ chairs/ desk & benches/ drinking water facility etc.	25	67,56,114.00
5	Electrical & Electronic Items to schools	3	2,71,482.00
6	Toilet Facility in schools	1	3,36,105.00
7	Scholarship	1	35,000.00
8	Equipment for hospitals	1	7,49,724.00
9	Equipments to old age home	1	1,68,650.00
10	Schools bags/stationery items etc.	3	4,55,917.00
11	Solar lighting system	1	34,000.00
12	Tree planting under environmental protection/ sustainability/ saplings with tree guards/ pots to the customers.	3	7,51,770.00
13	Career Digest books to the govt. schools	1	9,98,000.00
	Total	116	337,84,700.00

The Annual Report on CSR activities including brief contents are provided as an Annexure 6 to this report.

23. RISK MANAGEMENT POLICY

Your Company has constituted a Risk Management Committee with four directors and a senior executive 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 weblink Please refer Annexure 9.

The National Housing Bank conducts inspection of your Company on an annual basis. During the year, the NHB conducted regular inspection of your Company in July 2017 for the position as at March 2016 and March 2017. The compliance on the observations were submitted within the prescribed time to the NHB, which were reviewed by the Audit Committee and the Board.

24. AUDIT AND INTERNAL CONTROL

Your Company strengthened existing internal control systems for loan 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.

Your Company has also put in place a well- defined policy on Risk Based Internal Audit (RBIA) and as per the said policy, all the 152 branches that became due for audit, were audited in the FY17-18.

Apart from the RBIA, considering the volume of business, branches are also subjected to quarterly/ half yearly internal audit by empanelled audit firms. The Audit Committee reviewed the audit reports/remarks/ observations and replies/ compliances including the compliance of KYC norms.

25. SECRETARIAL AUDIT

The Secretarial Audit for FY17-18 was conducted as required U/s.204 of the Companies Act 2013, by S. Viswanathan, ACS, Practising Company Secretary. In terms of Section 204(3) of the Act, your Directors are pleased to inform that there was no qualification or observation or other remarks made by the said Company Secretaries in their Secretarial Audit Report. The Secretarial Audit Report issued by the Practising Company Secretaries is enclosed to the report of Directors (Annexure 3) in terms of Section 134(3) (f) read with Section 204(1) of the Act.

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.

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.32 of the Notes forming part of the financial statements for FY17-18, 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 is attached to this Report as Annexure 8.

26. AUDITORS

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, M/s. Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) were appointed by the members as the Statutory Auditors of the Company to hold office from the conclusion of this 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting, subject to ratification by members every year, as applicable, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company.

Pursuant to the provisions of Section 143(8) of the Companies Act, 2013 and rules made thereunder, the Members had authorised the Board of Directors to appoint any person(s) qualified for appointment as auditor(s) of the Company under Section 141 and all other applicable provisions of the Companies

Act, 2013 as Branch Auditors for audit of any of the Branch of the Company, present and future, from the conclusion of this Annual General Meeting until the conclusion of the 35th Annual General Meeting, subject to ratification by members every year, as applicable, on such terms and conditions, including remuneration and out-of pocket expenses, as may be decided by the Board of Directors of the Company.

The requirement of placing the matter relating to such appointment for ratification by members at every annual general meeting has been dispensed with due to omission of the first proviso to Section 139(1) by the Companies (Amendment) Act, 2017 effective from May 07, 2018 as per the Notification issued by Ministry of Corporate Affairs, Govt. of India [File No.1/1/2018-CL.I dated May 07, 2018].

In view of the above, M/s Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) appointed by the members at the 30th Annual General Meeting for a tenure upto the conclusion of the 35th Annual General Meeting will continue as the Statutory Auditors of the Company, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company. Further as authorized by the members at the 30th Annual General Meeting, the Branch Auditors appointed by the Board of Directors of the Company will continue until conclusion of the 35th Annual General Meeting on such terms and conditions, including remuneration and out-of pocket expenses, as may be decided by the Board of Directors of the Company.

27. 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.

28. CORPORATE GOVERNANCE

As required under the Companies Act, 2013, Regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016, the 'Report of Directors on Corporate Governance' for the year FY17-18 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 1.

Business Responsibility Report:

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, mandates inclusion of Business Responsibility Report (BRR) in the prescribed format, as a part of the Annual Report for top 500 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 7.

In terms of Regulation 17(10) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 read with the SEBI Circular No. SEBI/HO/CFD/ CMD/CIR/P/2017/004 dated January 5, 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 results of the evaluation exercise will be shared with the Board in subsequent Board Meeting(s), including listing of the identified strengths, areas of improvement and actions to be taken, if any.

29. SAVE GREEN EFFORTS

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 its 16 branches and the like. The usage of paper is minimised.

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 address are registered with the Company/ Depository participants. For members who have not registered their e-mail address and to those who specifically request for physical copies, the same is sent in the permitted mode.

In the FY 2017-18, your Company conducted a tree plantation drive (November 12, 2017) in commemoration of their 30th anniversary in Bengaluru. Under the auspices of the residents of Akshay Nagar in Bengaluru, about 300 saplings were planted by the staff around the Akshay Nagar lake and Viveka Gudda area. The day has been etched in the annals of the Company as a green Sunday and the beginning of an initiative to plant 30000 trees by involving all the branches of the Company. CFHL also espouses the cause of environment as a CSR initiative and during the year the Company has come out with a novel initiative of gifting a tree sapling/potted plant to each borrower across branches. The aim is to encourage every home buyer to join hands with the Company to ensure a greener environment.

30. OUTLOOK FOR 2018-19

Government's initiative of 'Housing for all by 2022' and the consequent incentives to the sector, i.e., extended coverage of MIG under Pradhan Mantri Awas Yojana (PMAY) Credit Linked Subsidy Scheme, increase in carpet area norm for eligibility under CLSS, infrastructure status and rationalization of GST rates in favour of affordable housing etc., are going to be the key drivers of growth in the year 18-19.

We remain buoyant with regard to our market expansion to potential geographies beyond our home turf and have plans to open about 20 new branches during the current fiscal. We also acquired license from the IRDA and began insurance agency business from January 2018. The insurance business adds to our business competitiveness and widens our service portfolio and will generate revenue for the year too.

Your Company is targeting a loan book size of Rs 19,500 Crore by March' 19. Lending to the salaried class will continue to be our mainstay. However, with the rising cost of funds, expectations of borrowers for loans at lesser rates, intense competition in the market, etc., margins are expected to remain under pressure.

The prime focus of your Company would be growth with quality. The onus of maintaining high standards is a formidable challenge, however your Company is confident of meeting the same.

31. ACKNOWLEDGEMENTS

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, debenture trustees and all others for their continuous support to your Company and the confidence and faith that they have always reposed in your Company.

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

Your Directors thank the Rating Agencies 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.

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

Place: Bengaluru
Date : June 02, 2018

K N Prithviraj
Chairman

ANNEXURE 1

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of Can Fin Homes Ltd.,
Bengaluru

We have examined the compliance of Corporate Governance by M/s Can Fin Homes Ltd. for the year ended March 31, 2018 as per relevant provisions of 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.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been in the manner described in the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information 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 Agreement(s)/Listing Regulations referred above.

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
Firm Reg. No. 004532S

Sd/-
R Kesavadas
Partner
Membership No. 23862

Place: Bengaluru
Date: April 28, 2018

ANNEXURE 2

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, S K Hota, 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, 2018.

Place: Bengaluru
Date: April 28, 2018

Sd/-
S K Hota
Managing Director & CEO

ANNEXURE 3

SECRETARIAL AUDIT REPORT

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]
(FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018)

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

We have conducted the Secretarial Audit of the compliance of 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 a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion there on.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and 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, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contract (Regulation) Act, 1956 (SCRA) and the Rules made there under;
3. There were no occasions needing compliance under the provisions of the Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; hence not applicable.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') as amended from time to time.
 - i. The Securities and Exchange Board of India (listing obligations and Disclosure Requirements) Regulations, 2015 as amended till date.

- ii. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2015 as amended till date;
- iii. The Company has complied with the requirements of The SEBI (Prohibition of Insider Trading) Regulations, 2015 as to the requirements of providing necessary information on the Company's website and other prescribed disclosures;
- iv. The provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2015 as amended till date;
- v. The Company has not issued any securities under ESOP/ ESPS during the year under the provisions of The Securities and Exchange Board of India (Shares Based Employee Benefits) Regulations, 2014;
- vi. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015 as amended till date;
- vii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2006 as amended till date to the extent applicable.
- viii. The Company has not applied for delisting of Equity Shares in any stock exchanges under the provisions of The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2015 as amended till date; and hence not applicable.
- ix. The Company has not bought back any securities during the financial year under the provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2013 as amended till date; and hence not applicable.
6. We further report that based on the information received and records maintained, in our opinion the Company has, complied with the provisions of:
 - i. The National Housing Bank Act, 1987
 - ii. The Housing Finance Companies (NHB) Directions, 2010 as amended from time to time.

- iii. Housing Finance Companies issuance of non-convertible Debentures on private placement basis (NHB), Directions 2014.
- iv. Housing Finance Companies –Auditor’s Report (National Housing Bank) Directions, 2016.
- v. Housing Finance Companies –Approval of Acquisition or Transfer of Control (National Housing Bank) Directions, 2016
- vi. Housing Finance Companies- Corporate Governance (National Housing Bank), Directions, 2016.
- vii. Guidelines and circulars issued under the National Housing Bank Act, 1987 from time to time.
- viii. FIMMDA operational Guidelines (RBI) for Commercial Papers.
- ix. Guidelines on Fair Practices Code for HFCs issued by NHB.
- x. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
- xi. Maternity Benefits Act, 1961
- xii. Indian Contract Act, 1872

We have also examined compliance with the applicable clauses of:

- a. Secretarial Standards SS-1 and SS-2 issued by The Institute of Companies Secretaries of India.
- b. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above in the manners stated therein;

7. We further report that:

The Board of Directors of the Company and the Committees of the Board are constituted with proper balance of Executive Directors, Non-Executive Directors Independent Directors and woman Director. The changes in the composition of the Board of Directors and Committees that took place during the period under review were carried out in accordance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were 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.

Majority decisions are carried through by majority and minutes of meetings are self-explanatory with respect to recording dissenting members’ views, if any.

We further report that the Company has developed and implemented adequate systems and processes commensurate with its size and operations to effectively monitor and ensure compliance with applicable laws, rules, regulations and guidelines and also the process and procedure in place to assist in minimizing exposure to risk that threaten the existence of the Company.

8. We further report that during financial year under report:

- a. The Company’s Objects clause was recently amended to include Insurance agency business and accordingly, it is also registered with IRDAI.
- b. The Company has amended its Memorandum of Association and Articles of Association to incorporate the provisions of Companies Act, 2013 after obtaining approval from shareholders through Postal Ballot duly complying with the applicable provisions of the said Act and related rules and also applicable regulations of SEBI (LODR).
- c. The Company has subdivided its equity shares of ₹10/- each into equity shares of ₹2/- each after obtaining approval from shareholders through Postal Ballot [together para 8(b) above].
- d. The Company has not issued any Rights Equity shares except allotment of 52915 rights equity shares of ₹2/- each (in lieu of 10583 rights equity shares of ₹10/- each) which were kept in abeyance pending receipt of final order of Honorable High Court of Kerala.
- e. The NHB refinance outstanding in the books amounted to ₹2,083.10 Crore against the aggregate sum of housing loans earmarked to NHB refinance amounting to ₹2,397.42 Crore.
- f. The Deposits outstanding amounted to ₹228.30 Crore and Deposits accepted during the year amounted to ₹122.71 Crore.

- g. The Company has passed Special resolution at the Annual General Meeting held on June 28, 2017 authorising issue of Non-Convertible Debentures (NCDs) upto ₹6,000 Crore through various tranches. During the year the Non- convertible debentures amounting to ₹ 800 Crore were issued under 3 tranches and NCDs amounting to ₹200 Crore were redeemed.
- h. The Company has obtained the Legal Entity Identifier No. 335800EJ9Y3XDP5ZDH81 as required under the RBI circular dated November 02, 2017.
- i. As required under the Section 215 of the Insolvency and Bankruptcy Code, 2016, the Company has registered itself with the National e-governance Services Limited (NeSL) .
9. None of the Directors on the Board of the Company have been debarred/ disqualified from being appointed or continuing as Directors of the Company by the Board / MCA or any such authority.

Sd/-

S.Viswanathan

Company Secretary

ACS No. 5284

C P No. 5284

Place: Bengaluru

Date : June 02, 2018

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,

My report of even date is to be read along with this letter.

- 1) Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
- 2) I have followed the audit practices and process as are appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices, I followed provide a reasonable basis for my opinion.
- 3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and related documents of the Company including compliances of the laws at the branch offices.
- 4) Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.
- 5) The compliance of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedure on test basis.
- 6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

S.Viswanathan

Company Secretary

ACS No. 5284

C P No. 5284

Place: Bengaluru

Date : June 02, 2018

ANNEXURE 4

CAN FIN HOMES LTD (CFHL)

DIVIDEND DISTRIBUTION POLICY

1. PREAMBLE AND BACKGROUND

- 1.1. Dividend is profits earned by the Company and divided amongst the shareholders in proportion to the amount of paid up shares held by them. Simply stated it is a return on investment made by the shareholders.
- 1.2. The term 'dividend' has been defined under Section 2(35) of the Companies Act, 2013. The term "Dividend" includes any interim dividend. It is an inclusive and not an exhaustive definition. According to the generally accepted definition, "dividend" means the profit of a Company, which is not retained in the business and is distributed among the shareholders in proportion to the amount paid-up on the shares held by them.
- 1.3. A dividend is not regarded as expenditure; rather, it is considered a distribution of assets among shareholders. A Company can retain its profit for the purpose of re-investment in the business operations (known as retained earnings), or it can distribute the profit among its shareholders in the form of dividends.
- 1.4. Dividends are usually payable for a financial year after the final accounts are ready and the amount of distributable profits is available. Dividend for a financial year of the Company (which is called 'final dividend') are payable only if it is declared by the Company at its Annual General Meeting on the recommendation of the Board of directors. Sometimes dividends are also paid by the Board of directors between two Annual General Meetings without declaring them at an Annual General Meeting (which is called 'interim dividend') if so authorized by its Articles of association.
- 1.5. Generally, dividend is paid by a Company to its shareholders on a particular date (book closure date) either out of profits or out of reserves / accumulated profits.
- 1.6. As Can Fin Homes Limited (hereinafter referred to as "Company") is a Company incorporated and registered in India under the Companies Act, 1956 and is listed with BSE Limited (formerly Bombay Stock Exchange Limited) and National Stock Exchange Limited, is registered with National Housing Bank as a Housing Finance Company and

hence is governed by the rules and regulations related to declaration and payment of dividend.

- 1.7. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Second Amendment) Regulations, 2016 under regulation 43A has specified the formulation of a dividend distribution policy for the top 500 listed entities based on market capitalization which shall be disclosed in their Annual Reports and on their websites. In view of that it is recommended on part of Company to formulate the Dividend Distribution Policy of the Company hereinafter referred to as "Can Fin Homes Ltd Dividend Distribution Policy" ("CFHLDDP").

2. OBJECTIVES

- 2.1. To define the policy and procedures of the Company in relation to the calculation, declaration and settlement of Dividends and the determination of the form and time periods within which Dividends are paid.
- 2.2. To ensure that the Company has sufficient distributable profits and/ or general reserves, as determined by a review of the Company's audited financial statements, prior to any declaration and/or payment of Dividends.
- 2.3. To create a transparent and methodological Dividend policy, adherence to which will be required before declaring dividends.
- 2.4. The Company will review this Policy annually and make necessary changes if deemed necessary or as and when there is regulatory changes, new regulations, directions, guidelines issued by the regulatory/government authorities from time to time.

3. SCOPE, LAW AND REGULATION OF DIVIDEND

- 3.1. The declaration and payment of dividend are governed by various provisions of the Companies Act, 2013 and most importantly chapter - VIII from section 123 to 127 deals with "Declaration and payment of dividend"; The Companies

(Declaration and Payment of Dividend) Rules, 2014; Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015; section 27 of Security Contract Regulation Act, 1956; Income Tax Act, 1961; Secretarial Standards on Dividend (SS-3); NHB Guidelines/ Circulars/ Notifications, FEMA 1999, SEBI Guidelines/ Circulars etc. as amended from time to time and to the extent applicable.

- 3.2. The Company will adhere to the provisions of Law as per Clause 3.1 above, as amended from time to time and to the extent applicable.
- 3.3. The policy set out herein relate to Equity Shares only and not applicable to preference shares. However, Board reserves the right to modify this policy to accommodate the preference shares or make a separate policy for preference shares in accordance with applicable provisions of Law as per 3.1 above as and when it deems fit and necessary.
- 3.4. The policy set out herein generally relates to final Dividend, certain principles also apply to Interim Dividend declared by the Board of Directors, as stated hereinafter.
- 3.5. **Trading Window:** In terms of regulation 2(1) (n) of SEBI (Prohibition of Insider Trading), 2015, declaration of dividends (interim or final) shall be treated as "Unpublished Price Sensitive Information" hence Company shall comply with norms / compliances of trading window read with Company's insider Trading Policy viz. Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders pursuant to regulation 9 of SEBI (Prohibition of Insider Trading), 2015.
- 3.6. **Secretarial Standards:** The Company will comply with Secretarial Standards as and when the secretarial standards are notified enforced by the Ministry of Corporate Affairs.
- 3.7. **Right / Title to dividends:** It shall be governed by section 27 of Security Contract Regulation Act, 1956 and other applicable laws, rules and regulation as amended and enforced from time to time.

3.8. The management will discuss and recommend to the Board of Directors on dividend considering the circumstances or factors but not limited to the following:

- a) Future expansion plans
- b) Profit earned during the current financial year
- c) Overall financial conditions
- d) Cost of raising funds from alternative sources
- e) Applicable taxes (including dividend distribution tax)
- f) Money market conditions
- g) Macro-economic situations, etc\.

4. GENERAL TERMS

- 4.1. **Basis of recommending dividend:** The dividends are declared at the Annual General Meeting of the Company, based on recommendations of the Board of Directors (Board).
- 4.2. **Free Reserves:** The word "Free reserves" has been defined by Section 2(43) of Companies Act, 2013 to mean such reserves which, as per the latest audited balance sheet of a Company, are available for distribution as dividend. However the following shall not be treated as free reserves: any amount representing unrealized gains, notional gains or revaluation of assets, whether shown as a reserve or otherwise, or any change in carrying amount of an asset or of a liability recognized in equity, including surplus in profit and loss account on measurement of the asset or the liability at fair value, shall not be treated as free reserves.

Clause 2(1)(l) of the NHB Directions 2010 defines "Free reserves" to include the balance in the share premium account, capital and debenture redemption reserves and any other reserve shown or published in the balance sheet of the Company and created through an allocation of profits, not being (1) a reserve created for repayment of any future liability or for depreciation in assets or for bad debt or (2) a reserve created by revaluation of the assets of the Company;

4.3. **Bonus Shares:** The Bonus shares shall not be issued in lieu of dividend in terms of section 63(3) of the Companies Act, 2013.

4.4. **Payment of dividend proportionately:** In terms of section 51 companies are permitted to pay dividends in proportion to the amount paid-up on each share when all shares are not uniformly paid up, i.e. pro rata (in proportion or proportionately, according to a certain rate). The Board of Directors of a Company may decide to pay dividends on pro-rata basis if all the equity shares of the Company are not equally paid-up. The permission given by this section is, however, conditional upon the Company's articles of association expressly authorizing the Company in this regard.

4.5. **Interim dividend:** The Board of Directors of a Company may declare interim dividend during any financial year out of the surplus in the profit and loss account and out of profits of the financial year in which such interim dividend is sought to be declared. In case the Company has incurred loss during the current financial year up to the end of the quarter immediately preceding the date of declaration of interim dividend, such interim dividend shall not be declared at a rate higher than the average dividends declared by the Company during the immediately preceding three financial years in terms of section 123 (3) of Companies Act, 2013.

4.6. **Final Dividend:** It is declared by members at an Annual General Meeting as "Ordinary Business" in terms of section 102(2)(ii) of the Companies Act, 2013 only if recommended by the Board of Directors and at a rate not more than what is recommended by the directors in accordance with the articles of association of a Company.

4.7. **Powers to SEBI:** As our Company is listed, Section 24 of the Companies Act, 2013 confers on SEBI, the power of administration of the provisions pertaining to non-payment of dividend. In any other case, the powers remain vested in Central Government.

4.8. **No buy back if default in payment of dividend:** In accordance with Section 70, a Company cannot buy its own shares if apart from other things provided in the section; it makes default in payment of dividend to any shareholder.

4.9. **Debenture Redemption Reserve:** Where debentures are issued by a Company, the Company shall create a debenture redemption reserve account out of the profits of the Company available for payment of dividend and the amount credited

to such account shall not be utilized by the Company except for the redemption of debentures in terms of section 71 (4) of the Companies Act, 2013. Since the Company is a Housing Finance Company registered with National Housing Bank, there is no requirement of creation of DRR for issues under private placement. However, the DRR shall be created for public issue of Debentures.

4.10. **Dividend Payout Ratio:** The dividend payout ratio measures the percentage of Net Profit (PAT) that is distributed to shareholders in the form of dividends during the year. In other words, this ratio shows the portion of profits, the Company decides to keep to fund operations and the portion of profits that is given to its shareholders. It is calculated by dividing the proposed dividend (excluding taxes on dividend) by the Profit after tax and depreciation.

5. PARAMETERS FOR DECLARATION OF DIVIDEND

5.1. **Depreciation must be provided:** No dividend shall be declared or paid by the Company for any financial year unless it is paid - Out of profits for that year arrived at after providing depreciation in accordance with provisions of Section 123(2) of the Companies Act or - Out of accumulated profits of the Company for any previous financial year or years arrived at after providing depreciation and remaining undistributed or - Out of both above or - Out of money provided by the central government or a state government for payment of dividend in pursuance of a guarantee given by that government

5.2. **Depreciation as per schedule-II:** Depreciation, as required under Section 123(1) of the Companies Act has to be provided in accordance with the provisions of Schedule II to the Act.

5.3. **Transfer to Reserves:** A Company may, before declaration of any dividend transfer such percentage of its profits for that financial year as it may consider appropriate to reserves in terms of the first proviso of Section 123(1)(b). The Board of directors is given freedom to decide the percentage of transfer of profits to reserves which includes Special Reserve, Additional Reserve, General Reserve etc. before declaring a dividend.

5.4. **Dividend from Free Reserves:** In terms of third proviso of Section 123(1)(b) of the Companies Act, 2013 no dividend shall be declared or paid by a Company from its reserves other than free reserves.

5.5. **Amount of Dividend:** The management upon compliance of the above clause no. 5.1 to 5.4 may recommend to the Board of Directors the dividend at a rate (inclusive of the dividend distribution tax or any other applicable taxes on dividend) of any of the following:

- a) Maximum of Dividend payout ratio of 20% (excluding taxes).
- b) Minimum of 20% of the paid up Equity share capital.

While recommending such dividend the management will also take into account dividends declared during the preceding 3 years.

Not with-standing the above, the Board reserves the right not to declare dividend or decide any rate of dividend, for a particular year owing to certain regulatory restrictions if any, during the year, capital conservation prudence, or other exigencies which shall be stated by the Board.

5.6. **Retained Earnings Utilization:** The retained earnings i.e., profit after tax, transfer to the free reserves and dividend (inclusive of tax), will be utilized by the Company for future expansion plans, deployment for advances, Capital adequacy etc.

5.7. **Classes of Shares:** the Company has presently only Equity Shares and the Dividend distribution policy is specifically formed for this class of shares.

6. PAYMENT OF DIVIDEND

6.1. **Time limit for deposit of dividend:** The amount of the dividend, including interim dividend, must be deposited in a scheduled bank in a separate account within five (5) days from the date of declaration of such dividend. Dividend once declared by the shareholders becomes a debt and payable unlike in the case of interim dividend. But the restriction to deposit within five (5) days of declaration even the interim also ensures that the Board cannot go back on the commitment made by its declaration in terms of section 123(4).

6.2. **Time limit for payment of dividend:** The dividend has to be paid within 30 days from the date of declaration or such other period as is applicable by law. The dividend settlement date will be decided by the Managing Director/ whole- time Director.

6.3. **Requirement related to declaration and payment of Dividend under SEBI (LODR) Regulations, 2015:** As our Company's securities are listed on BSE and NSE, an intimation of at least 2 working days (excluding the date of the intimation and date of the meeting of the Board) is required to be given to aforesaid stock exchange(s) in terms of Regulations 29(1) and (2) of SEBI LODR, prior to the meeting of the Board at which the recommendation of final dividend is to be considered. In terms of Regulation 30, the outcome of the meeting shall be intimated, online, immediately to the above Stock Exchanges within 30 minutes of the closure of the board meeting.

In terms of Regulation 43(1) of the SEBI LODR, the Company shall declare and disclose the dividend on per share basis only.

In terms of Regulation 42(3) of the SEBI LODR, the Company shall recommend or declare all dividend at least five working days (excluding the date of intimation and the record date) before the record date fixed for the purpose.

6.4. **Dividend to be paid to Registered Shareholders:** In terms of Section 123(5) of the Companies Act, no dividend shall be paid by a Company in respect of any share therein except to the registered shareholder of such share or to his order or to his banker and shall not be payable except in cash. Provided that nothing in this sub-section shall be deemed to prohibit the capitalization of profits or reserves of a Company for the purpose of issuing fully paid- up bonus shares or paying up any amount for the time being unpaid on any shares held by the members of the Company.

6.5. **Mode of payment of dividend:** Any dividend payable in cash shall be paid by using any of the electronic mode of payment facility approved by the Reserve Bank of India. Provided that where it is not possible to use electronic mode of payment, 'payable-at-par' warrants or cheques may be issued and the dividend amount exceeds H1500/, the 'payable-at-par' warrants or cheques shall be sent by speed post.

For the above purpose, the Company, through its Registrar & Share Transfer Agent (RTA) shall maintain bank details of their investors [(a) for investors holding securities in dematerialized mode, by seeking the same from the depositories.

- (a) for investors holding securities in physical mode, by updating bank details of the investors at their end]. The Company/RTA shall mandatorily print the bank

account details of the investors on such payment instruments and in cases where the bank details of investors are not available, the listed entity shall mandatorily print the address of the investor on such payment instructions.

- 6.6. **Payment of Dividend Distribution Tax (DDT):** Dividend distribution tax will be paid as per the applicable laws.
- 6.7. **Prohibition on declaration and payment of dividend:** A Company which fails to comply with the provisions of sections 73 (Prohibition on acceptance of deposits from public) and Section 74 (Repayment of deposits, etc., accepted before commencement of this Act) of the Companies Act, 2013 shall not, so long as such failure/default continues, declare any dividend on its equity shares in terms of Section 123(6).
- 6.8. **Right of dividend** to be held in abeyance pending registration of transfer shares shall be governed in terms of section 126(a) as amended from time to time.
- 6.9. **Determine record date / book closure:** The Company shall determine the date of closure of the register of members and the share transfer register of the Company as per requirements of Section 91 of the Companies Act, 2013 read with Regulation 42 of the SEBI LODR. The Company shall give notice in advance of at least seven working days (excluding the date of intimation and the record date) to stock exchange(s) of record date specifying the purpose of the record date. The date of commencement of closure of the transfer books should not be on a day following a holiday. The dates so fixed should also not clash with the clearance programme in the stock exchanges.
- 6.10. **Publishing of Book Closure Notice:** The Company shall give at least a 7 days prior notice by advertisement, stating the dates of closure of its transfer books/record date, at least once in a vernacular newspaper in the vernacular language having a wide circulation in the district in which the registered office of the Company is situated and at least once in English language in an English newspaper circulating in the district and has wide circulation in the place where the registered office is located and publish the Notice on the website of the Company in terms of Rule 10 of the Companies (Management and Administration) Rules, 2014.
- 6.11. **Time gap between two book closures:** The time gap between two book closure and record date would be at least 30 days in terms of Regulation 42(4) of SEBI LODR.

- 6.12. **Initial validity of the Dividend warrant should be for three months:** A cheque or warrant for payment of Dividend should be valid for three months from the date thereof and, where such cheque or warrant remains unpaid after this initial period of validity, it should be revalidated for not more than three months or a fresh instrument should be issued which should have a validity of three months.

- 6.13. **Revalidation within what period:** The Company should revalidate the Dividend warrant or issue a fresh Dividend warrant or a demand draft or pay order or electronic transfer of funds, in lieu thereof, within 30 days of the receipt of a request for revalidation.

- 6.14. **Duplicate Dividend warrant:** A duplicate Dividend warrant should be issued only after the expiry of the validity of the Dividend warrant and the reconciliation of the paid amounts thereof. In case the original instrument is not tendered to the Company, a duplicate warrant should be issued only after obtaining requisite indemnity/declaration from the Shareholder. Where the amount of dividend warrant exceeds a sum of ₹5000/- the indemnity/declaration shall be obtained from the shareholder on a non-judicial stamp paper of ₹100/-.

- 6.15. **Re-issue of Dividend Warrant:** In the case of defaced, torn or decrepit or error crept-in while printing, if any, on the Dividend warrants, a duplicate warrant may be issued before the expiry of the validity period of the Dividend warrant on surrender to the Company of such defaced, torn, decrepit warrant or the warrant with printing error.

- 6.16. **Register of Duplicate Dividend Warrants:** Particulars of every Dividend warrant issued as aforesaid should be entered in a Register of Duplicate Dividend Warrants, indicating the name of the person to whom the Dividend warrant is issued, the number and amount of the Dividend warrant in lieu of which the duplicate warrant is issued and the date of issue of such duplicate warrant.

- 6.17. **Revocation of Dividend:** Dividend, once declared, becomes a debt and should not be revoked.

7. DECLARATION OF DIVIDEND IN THE EVENT OF INADEQUACY OR ABSENCE OF PROFITS IN ANY YEAR

- 7.1. **Declaration of dividend out of accumulated profits:** In terms of second proviso of 123 (1) of the Companies Act, 2013 where, owing to inadequacy or absence of profits in any financial year, any Company proposes to declare dividend

out of the accumulated profits earned by it in previous years and transferred by the Company to the reserves, such declaration of dividend shall not be made except in accordance with the Companies (Declaration and Payment of Dividend) Rules, 2014.

- 7.2. In terms of Rule 3 of the Companies (Declaration and Payment of Dividend) Rules, 2014 as amended from time to time, in the event of inadequacy or absence of profits in any year, the Company may declare dividend out of free reserves subject to the fulfillment of the following conditions, namely:—

- 1) The rate of dividend declared shall not exceed the average of the rates at which dividend was declared by it in the three years immediately preceding that year:

Provided that this sub-rule shall not apply to a Company, which has not declared any dividend in each of the three preceding financial year.

- 2) The total amount to be drawn from such accumulated profits shall not exceed one-tenth of the sum of its paid-up share capital and free reserves as appearing in the latest audited financial statement.
- 3) The amount so drawn shall first be utilised to set off the losses incurred in the financial year in which dividend is declared before any dividend in respect of equity shares is declared.
- 4) The balance of reserves after such withdrawal shall not fall below 15% of its paid up share capital as appearing in the latest audited financial statement.
- 5) No Company shall declare dividend unless carried over previous losses and depreciation not provided in previous year are set off against profit of the Company of the current year the loss or depreciation, whichever is less, in previous years is set off against the profit of the Company for the year for which dividend is declared or paid.

8. TRANSFER OF UNPAID OR UNCLAIMED DIVIDEND TO SPECIAL ACCOUNT

- 8.1. **Transfer of unpaid dividend to Special Account:** If dividend has not been paid or claimed within the 30 days from the date of its declaration, the Company is required to transfer the total amount of dividend which remains

unpaid or unclaimed, to a special account to be opened by the Company in a scheduled bank to be called “Unpaid Dividend Account”. Such transfer shall be made within 7 days from the date of expiry of the said period of 30 days in terms of section 124 of the Act.

- 8.2. **Failure to transfer attracts interest:** If the Company fails to transfer dividend to special account, it shall be liable to pay interest @12% and such interest has to be passed for the benefit of shareholders in proportion to the amount remaining unpaid in terms of section 124(3) of Act.

- 8.3. **Display of details in the web site:** In terms of section 124(2) of the Act, the Company shall upload the details of unpaid and unclaimed dividend in the Company website in PDF format, year wise, with search facility must be easily accessible free of charge and facilitate easy printing. The process of uploading on the website shall be completed within 90 days from the date of transfer of the amount to special account as per Clause 8.1 above.

- 8.4. **Claimant can apply:** In case of any unclaimed/ unpaid dividends in respect of the financial years mentioned in the website, the claimant may apply for payment in terms of section 124(4) of Act to the Company or its Registrar and Share Transfer Agent.

9. UNPAID OR UNCLAIMED DIVIDEND TO BE TRANSFERRED TO INVESTOR EDUCATION PROTECTION FUND (IEPF)

- 9.1. **Transfer to IEPF after 7 years:** Any money transferred to the unpaid dividend account of a Company in pursuance of section 124 which remains unpaid or unclaimed for a period of seven years from the date of such transfer shall be transferred by the Company to the Investor Education and Protection Fund established (IEPF) u/s 125(1) of Act and the Company shall file a statement in “Form DIV-5” to the Authority constituted under the Act to administer the fund and such authority shall issue a receipt to the Company as evidence of such transfer. [Section 124(5)]

- 9.2. **Shares shall also be transferred to IEPF:** In terms of section 124(6) of the Act, all shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall be transferred in the name of IEPF alongwith a statement containing such details as may be prescribed. If any person who has a claim on such shares can lodge his claim with Investor Education Protection Fund in such manner as may be prescribed.

- 9.3. **Manner in which unclaimed dividend to be transferred to IEPF:** The Company shall deposit the unclaimed dividend amount after lapse of 7 years to IEPF within the prescribed period in the prescribed mode maintain the particulars of unpaid dividend transferred to IEPF for a period of 8 years from the date of such transfer.

In terms of Regulation 43(2) of SEBI LODR, the listed entity shall not forfeit unclaimed dividends before the claim becomes barred by law and such forfeiture, if effected, shall be annulled in appropriate cases.

- 9.4. **Display of details in the web site:** The Company shall upload the details of unpaid and unclaimed dividend transferred to IEPF in the Company's website in PDF format, year wise.
- 9.5. **ROC filing after 7 years:** The Company shall file with the ROC one copy of the Challan evidencing deposit of the amount to the Fund in Form -1 in terms of Rule 3 (ii) (b) of Investor Education and Protection Fund (awareness and protection of investors) Rules, 2001, as amended from time to time.

10. DISCLOSURE

- 10.1. The Balance Sheet of the Company should disclose under the head 'current liabilities and provisions', the amount lying in the Unpaid Dividend Account together with interest accrued thereon, if any.
- 10.2. The Annual Report of the Company should disclose the total amount lying in the Unpaid Dividend Account of the Company in respect of the last seven years. The amount of Dividend, if any, transferred by the Company to the Investor Education and Protection Fund during the year should also be disclosed.
- 10.3. The amounts lying in the Unpaid Dividend Account and the amounts transferred to the Investor Education and Protection Fund should be disclosed in the Directors' Report.

- 10.4. In terms of SEBI LODR (Regulation 33 relating to disclosure in financial results) the Company shall disclose the following in respect of dividends paid or recommended for the year, including interim dividends:

- i) amount of dividend distributed or proposed for distribution per share; the amounts in respect of different classes of shares shall be distinguished and the nominal values of shares shall also be indicated;
- ii) where dividend is paid or proposed to be paid pro-rata for shares allotted during the year, the date of allotment and number of shares allotted, pro-rata amount of dividend per share and the aggregate amount of dividend paid or proposed to be paid on pro- rata basis.

11. SUMMARY:

- 11.1 Upon compliance to all the rules, guidelines and regulations as detailed above in this policy, the Board of Directors may recommend a dividend at a rate (inclusive of the dividend distribution tax or any other applicable taxes on dividend) of any of the following:
- a) Maximum of Dividend payout ratio of 20% (excluding taxes).
 - b) Minimum of 20% of the paid up Equity share capital.
- 11.2 While recommending such dividend the Board may also take into account dividends declared during the preceding 3 years.
- 11.3 Not with-standing the above, the Board reserves the right not to declare dividend or decide any rate of dividend, for a particular year owing to certain regulatory restrictions if any, during the year, capital conservation prudence, or other exigencies which shall be stated by the Board.

ANNEXURE 5

Related Party Transactions Policy

[Disclosure as required under Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016]

1. BRIEF BACKGROUND:

Security Exchange Board of India (SEBI) vide its circular No.CIR/CFD/ POLICY CELL/2/2014 dated April 17 2014, read with circular No.CIR/CFD/ POLICY CELL/7/2014 dated September 15, 2014 has amended clause 35B and 49 of the listing agreement and SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 (Listing Regulations) came into existence w.e.f. December 01, 2015. In terms of the said circular, 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.

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.

2. OBJECTIVE OF THE POLICY

The policy is framed as per requirements of the Listing Agreements entered into by the Company with the Stock Exchanges 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

3.1. During the course of its business, the Company may enter into transactions with various entities. Some of the transactions may be deemed to be 'Related Party Transactions' as per the Accounting Standard on Related Party Disclosures (AS 18), as notified by the Companies (Accounting Standards) Rules, 2006 and such transactions shall be 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 rules specified in the listing agreement.

3.2. 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 shall be as per applicable provisions of Companies Act, 2013, Listing Regulations and Accounting Standards.

4. TRANSACTIONS ARE CONSIDERED AS RELATED PARTY TRANSACTIONS:

4.1. Following types of the transactions shall be 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.

4.2. Types of the transactions considered as related party as per listing agreement:

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.

4.2.a Types of the transactions considered as related party as per AS-18, Accounting Standard-18 of 2006:

- a) Purchases or sales of goods (finished or unfinished);
- b) Purchases or sales 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.

4.3. 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 transactions 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 Auditors 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:

- 7.1. 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 the related parties shall abstain from voting on 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.

7.2. 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.

7.3. Approval of Shareholder: All the Material Related Party Transactions 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 the related parties shall abstain from voting in such resolution.

7.4. Omnibus approval by the Audit Committee:

7.4.1. 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.
- b. It 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;

7.4.2. 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 H1 Crore (Rupees One Crore only) per transaction.

7.4.3. The details of such transactions viz. actually entered into/ executed by the Company shall be tabled at the next meeting of the Audit Committee for its ratification.

7.4.5. 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.

7.4.6. In terms of the provisions of the Listing Agreements, 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 the Listing Agreements, 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 installments, the aggregate amount of all period payments of installments expected to be made.
- f) In the case of indebtedness, the aggregate amount of principal to be outstanding and the rate or amount of interest to be 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 reclude himself or herself and abstain from discussion and voting on the approval of the Related Party 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

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

- 11.1. The Company shall keep a register in the prescribed form 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.

- 11.2. Necessary disclosures shall be made in the Annual Financial Statements as required under AS 18 and applicable guidelines. Further, as required under Listing Agreement, 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.

11.3. Details of all material transactions with related parties shall be disclosed quarterly along with the compliance report on Corporate Governance.

11.4. 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.

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 5 of Accounting Standard 18, 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 6 of Accounting Standard 18, 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 Accounting Standard 18. 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 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.

ANNEXURE 6

ANNUAL REPORT ON CSR ACTIVITIES

Our Company's CSR Policy is broadly based on the Principles of National voluntary guidelines on social, environmental and economic responsibilities of business released by the Ministry of Corporate Affairs, SEBI guidelines on Business Responsibility Reporting, the Companies Act, 2013 and ethos of our Sponsor-Canara Bank.

The contents of the CSR Policy of the Company, as approved by the Board, are displayed in the Company's official website. Our Company has also chosen 'Education', 'Women Empowerment', 'Health care sector' and 'Environmental Sustainability' as its thrust areas towards implementation of CSR activities.

The CSR Committee comprised of:

Mr.K.N.Prithviraj – Chairman

Mr.S.K.Hota – Member

Mr.G. Naganathan – Member

The average net profit of the Company for the last three years is:

Financial Year	₹ in Crore
a. Net Profit before Tax for FY16-17	370.17
b. Net Profit before Tax for FY15-16	253.86
c. Net Profit before Tax for FY14-15	137.45
d. Total	761.48
e. Average Net Profit (before Tax) for three years	253.83
f. Budgeted CSR amount 2% of (e) above-FY17-18	5.08
g. Unspent amount of FY15-16 & FY 2016-17	1.60
h. Total budget for CSR activities for FY17-18(f+g)	6.68

Details of budgeted CSR spent during the financial year:

a) Total amount to be spent for the financial year 17-18: ₹6.68 Crore

b) Unspent amount of FY 17-18 – ₹3.30 Crore

c) Manner in which the amount spent during the financial year: As per Annexure

The unspent amount has been carried forward to the next financial year and the Company is in lookout of an appropriate project to spend.

The implementation and monitoring of the CSR Policy is in compliance with CSR objects and Policy of the Company.

Place: Bengaluru
Date : April 28, 2018

Sd/-
S K Hota
Managing Director

Sd/-
G Naganathan
Member-CSR Committee

Sd/-
K N Prithviraj
Chairman-CSR Committee

Annexure 6 - Details of disbursements/ amount spent towards CSR activities as on 31/03/18

Sl no.	CSR project or activity identified	Sector in which the project is covered	District where projects was undertaken	Amount outlay (budget) project or program wise (₹)	Amount spent on the projects or programs (₹)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through agency
1	Govt. Higher primary school, Kagglahalli and Govt. Model Primary School, Kagglipura.	Promoting Education	Bengaluru, Karnataka	1,07,000.00	1,07,000.00	Nil	Direct
2	Ramakrishna Vidhyalaya Matriculation School, Nattampalli, Vellore	Promoting Education	Vellore, Tamilnadu	3,04,230.00	3,04,230.00	Nil	Direct
3	Rajkiya Uchh Prathmik Sanskrit Vidhyalaya, Vino Bhava Nagar, Kota	Promoting Education	Kota, Rajasthan	71,390.00	71,390.00	Nil	Direct
4	Scholarship to the women, Bengaluru.	Promoting Education	Bengaluru, Karnataka	35,000.00	35,000.00	Nil	Direct
5	Govt. Higher Secondary School, Meyyur, Thiruvallur	Promoting Education	Thiruvallur, Tamilnadu	2,09,000.00	2,09,000.00	Nil	Direct
6	Govt. Higher Primary School, Budnahatti, Davangere	Promoting Education	Davangere, Karnataka	29,600.00	29,600.00	Nil	Direct
7	Dr. Bhimrao Ambedkar Parishadiya Upper Middle School, Nistauli, Ghaziabad	Promoting Education	New Delhi	95,120.00	95,120.00	Nil	Direct
8	1)Govt. Higher Primary School, Sunkenahalli. And 2) Govt. High School Sunkenahalli, Hanumanthanagar	Promoting Education	Bengaluru, Karnataka	3,72,912.00	3,72,912.00	Nil	Direct
9	Govt. Model Primary School, Srinagar, Bengaluru	Promoting Education	Bengaluru, Karnataka	2,99,960.00	2,99,960.00	Nil	Direct
10	1) Govt. Lower primary school, Vakayad, Calicut. 2)Govt. Mappula Lower Primary School, Naduvannur. 3)Govt. Lower primary school, Puthucode.	Promoting Education	Calicut, Kerala	713,208.00	713,208.00	Nil	Direct
11	Govt. Higher Secondary School, Okkanadu Keelaiyur, Thanjavur dist	Promoting Education	Kumbakonam, Tamilnadu	1,61,485.00	1,61,485.00	Nil	Direct
12	Govt. Higher Secondary School, Thirupanchali,Trichy	Promoting Education	Trichy, Tamilnadu	4,91,000.00	4,91,000.00	Nil	Direct
13	Govt. Higher Primary School, Shankaranahalli Thanda, Davanagere Dist.	Promoting Education	Davangere, Karnataka	38,912.00	38,912.00	Nil	Direct
14	Govt. Primary School, Baluru, Kukatpally, Balanagar	Promoting Education	Hyderabad, Telangana	1,53,750.00	1,53,750.00	Nil	Direct
15	Corporation Higher Secondary School, North Coimbatore	Promoting Education	Coimbatore, Tamilnadu	1,36,632.00	1,36,632.00	Nil	Direct
16	Govt. Kshetra Sampanmoola Kendra, Mangalore Dakshina	Promoting Education	Mangalore, Karnataka	8,15,320.00	8,15,320.00	Nil	Direct
17	1) Moti Rantai Adarsh Primary School, Detroj Rampura Taluk, Ahmedabad Dist. 2) Nani Rantai Primary School, Detroj Rampura Taluk, Ahmedabad Dist. 3) Champaben Mulchand Dipchand Shah High School, Ajol, Mansa Taluk, Gandhinagar dist	Promoting Education	Ahmedabad, Gujarat	1,08,000.00	1,08,000.00	Nil	Direct
18	1) Govt. Higher Primary School, Thattehalli Village, Hassan Dist. 2) Govt. Higher Primary School, Adagur Village, Hassan Dist	Promoting Education	Hassan, Karnataka	8,17,228.00	8,17,228.00	Nil	Direct
19	Govt. Higher Primary School, Katriguppe	Promoting Education	Bengaluru, Karnataka	4,68,140.00	4,68,140.00	Nil	Direct
20	Govt. Lower Primary School, Elenahalli, Begur Hobli	Promoting Education	Bengaluru, Karnataka	7,30,739.00	7,30,739.00	Nil	Direct
21	Govt. High School for Hearing Impaired, Sullakara, Virudhunagar	Promoting Education	Virudhunagar, Tamilnadu	77,626.00	77,626.00	Nil	Direct
22	Akshay Nagar Lake and Viveka Gudda, Akshay nagar.	Environmental protection	Bengaluru, Karnataka	4,04,400.00	4,04,400.00	Nil	Direct
23	Govt. High School Andarkottaram, Madurai	Promoting Education	Madurai, Tamilnadu	2,03,000.00	2,03,000.00	Nil	Direct
24	Panchayat Union Elementary School, T Pudur, Thirumangalam Taluk Madurai	Promoting Education	Thirumangalam, Tamilnadu	45,700.00	45,700.00	Nil	Direct
25	Govt. Higher Primary School, Doddabbigere, Channagiri Taluk, Davangere.	Promoting Education	Davangere, Karnataka	1,88,664.00	1,88,664.00	Nil	Direct
26	Govt. Higher Secondary School for the Blind, Poonamalle, Porur	Promoting Education	Chennai, Tamilnadu	2,03,220.00	2,03,220.00	Nil	Direct
27	1) Rajkiya Prathamik Vidyalay, Vyas Colony, Airforce, Jodhpur. 2) Rajkiya Uccha Madyamik Vidyalay, Digadi, Jodhpur.	Promoting Education	Jodhpur, Rajasthan	1,74,758.00	1,74,758.00	Nil	Direct
28	1) Govt. High School, Sivalaperi, 2) Govt. High School, Jawahar 3) Govt High School, Tharuvai.	Promoting Education	Tirunelveli, Tamilnadu	3,36,000.00	3,36,000.00	Nil	Direct
29	Govt. Primary School, Rampa Village, Kakinada	Promoting Education	Kakinada, Andhra Pradesh	2,60,516.00	2,60,516.00	Nil	Direct
30	1) Govt. Primary School, Harohalli. 2) Govt. Primary School, Ajagondanahalli. 3) Govt. Primary School, Muthsandra.	Promoting Education	Bengaluru, Karnataka	3,94,466.00	3,94,466.00	Nil	Direct

Sl no.	CSR project or activity identified	Sector in which the project is covered	District where projects was undertaken	Amount outlay (budget) project or program wise (₹)	Amount spent on the projects or programs (₹)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through agency
31	Govt. Higher Primary School, Chikkalasandra, Dasarahalli cluster, Hesaraghatta Road.	Promoting Education	Bengaluru, Karnataka	2,85,970.00	2,85,970.00	Nil	Direct
32	Govt. Primary school, Saran, Near NIT faridabad.	Promoting Education	Faridabad, NCR	1,37,200.00	1,37,200.00	Nil	Direct
33	Govt Primary School, Kistareddypet, Ameenpur Mandal, Sangareddy Dist.	Promoting Education	Hyderabad, Telangana	1,76,500.00	1,76,500.00	Nil	Direct
34	Panchayat Union School, Annanager, Pallipet Taluk, Thiruvallur Dist.	Promoting Education	Sriperumbudur, Tamilnadu	75,070.00	75,070.00	Nil	Direct
35	Ashadeepam Convent School for blind students and mentally retarded students.	Promoting Education	Shoranur, Kerala	34,000.00	34,000.00	Nil	Direct
36	1) Govt. Primary School, Maliyana No.2, Meerut. 2) Govt. Primary School, Pathauli-2, Meerut. 3) Govt. Primary Schools, Bahadarpur-1, Meerut. 4) Govt. Primary School, Pachgaon Patti Sawal, Meerut.	Promoting Education	Meerut, UP	7,09,710.00	7,09,710.00	Nil	Direct
37	Govt. Higher Primary School, Kadirenahalli, Bengaluru	Promoting Education	Bengaluru, Karnataka	3,21,432.00	3,21,432.00	Nil	Direct
38	Mandal parishat upper primary school, Gollapudi, Vijayawada	Promoting Education	Gollapudi, Andhra Pradesh	1,39,200.00	1,39,200.00	Nil	Direct
39	Rajkiya Madyamik Vidyalaya, Prathap Nagar, Sector-19, Sangenar, Jaipur	Promoting Education	Jhotwara, Rajasthan	59,300.00	59,300.00	Nil	Direct
40	Prathamik Vidyalaya, Nankari, Kanpur	Promoting Education	Kanpur, UP	2,31,966.00	2,31,966.00	Nil	Direct
41	1) Municipal Primary School, Ambattur. 2) Anandam old age home. Chennai.	Promoting Education	Chennai, Tamilnadu	1,68,650.00	1,68,650.00	Nil	Direct
42	Govt. higher secondary school, vandalur, Chennai.	Promoting Education	Chennai, Tamilnadu	8,28,360.00	8,28,360.00	Nil	Direct
43	Govt. Pre-University college, consisting both high school and PU, Shivapura, Maddur.	Promoting Education	Mandya, Karnataka	54,709.00	54,709.00	Nil	Direct
44	1) Rajkiya Uccha Prathamik Vidyalaya, Sri Ram Nagar, Dudu, Jaipur 2) Nodal Prabhar Sarva SikshaAbhiyan, Harsoli dudu, Jaipur	Promoting Education	Jaipur, Rajasthan	2,89,000.00	2,89,000.00	Nil	Direct
45	Guddanna, Govt. Primary School, Magadi Road, Bengaluru	Promoting Education	Bengaluru, Karnataka	2,03,771.00	2,03,771.00	Nil	Direct
46	Panchayat Union Middle School, PN Palyam	Promoting Education	Coimbatore, Tamilnadu	74,300.00	74,300.00	Nil	Direct
47	Raj Govt. Siddhi Senior Secondary School, Sangener Jaipur	Promoting Education	Mansarovar, Rajasthan.	1,44,500.00	1,44,500.00	Nil	Direct
48	Mandal parishat Prathamika School, Subash nagar, Quthbullapur, Kompally.	Promoting Education	Hyderabad, Telangana	63,000.00	63,000.00	Nil	Direct
49	1) Rajkiya Uccha Madyamika Vidyalaya, Kuncholli, Kumbalgode. 2) Rajkiya Uccha Madyamika Vidyalaya, Oda Rajasmand, Taluk Kumbalgode. 3) Kasturba Gandhi Balaki Awasiya Vidyalaya, Charbuj, Taluk Kumbalgode	Promoting Education	Udaipur, Rajasthan	3,81,000.00	3,81,000.00	Nil	Direct
50	Govt. Higher Primary School, Khaidala, Tumkur	Promoting Education	Tumkur, Karnataka	93,396.00	93,396.00	Nil	Direct
51	1) Govt. High School, BH Road, Tumkur. 2) Govt. High School, Akkirampur, Tumkur	Promoting Education	Tumkur, Karnataka	2,73,700.00	2,73,700.00	Nil	Direct
52	ZP High School, JNNRUM colony, Jakkampudi, Vijayawada	Promoting Education	Vijayawada, Andhrapradesh	1,18,804.00	1,18,804.00	Nil	Direct
53	Govt. Girls Higher Secondary School, Arani, Thiruvallur	Promoting Education	Chennai, Tamilnadu	2,25,000.00	2,25,000.00	Nil	Direct
54	Primary School Gachibowli, Seilingampally Mandal.	Promoting Education	Hyderabad, Telangana	3,56,360.00	3,56,360.00	Nil	Direct
55	1) Govt. Higher Primary School, Yelachelana halli, Mandya. 2) Govt. higher primary school, Manchegowdana Koppal. Mysore. 3) Govt. Higher primary school, Yelige hundi, Mysore. 4) Govt. Higher primary school, Gejjalegere, Maddur.	Promoting Education	Mysore, Karnataka	8,71,406.00	8,71,406.00	Nil	Direct
56	Govt. Higher Primary School, Sunkadhakatte Janatha Colony.	Promoting Education	Bengaluru, Karnataka	5,49,620.00	5,49,620.00	Nil	Direct
57	Govt. Higher Primary School, Halagavaderahalli, RR Nagar, Bengaluru	Promoting Education	Bengaluru, Karnataka	4,07,265.00	4,07,265.00	Nil	Direct
58	Govt. Adhidravidar higher Secondary school, Kanchipuram Dist.	Promoting Education	Chennai, Tamilnadu	3,25,680.00	3,25,680.00	Nil	Direct
59	Sevakshetra hospital and Mathruchaya Foundling home. (Canara Bank Relief and Welfare Society)	Healthcare Sector	Bengaluru, Karnataka	7,49,724.00	7,49,724.00	Nil	Direct
60	Govt. Schools at Mehaboobnagar Dist.	Promoting Education	Hyderabad, Telangana	9,98,000.00	9,98,000.00	Nil	Direct

Sl no.	CSR project or activity identified	Sector in which the project is covered	District where projects was undertaken	Amount outlay (budget) project or program wise (₹)	Amount spent on the projects or programs (₹)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through agency
61	1) Karnet Primary School, Dabhai, Baroda. 2) Achali Primary School, Bodeli, Chota Udaipur.	Promoting Education	Baroda, Gujarat	83,000.00	83,000.00	Nil	Direct
62	Govt. High School, Sawaran T/M, Kothirampur, Karimnagar Dist.	Promoting Education	Karimnagar, Telangana	4,18,800.00	4,18,800.00	Nil	Direct
63	Govt. Higher Secondary School, Pasuvapatti, Chennimalai.	Promoting Education	Erode, Tamilnadu	50,386.00	50,386.00	Nil	Direct
64	Municipal Corporation School, No.8., Primary Education Division, Pune.	Promoting Education	Pune, Maharashtra	82,100.00	82,100.00	Nil	Direct
65	Govt. Primary School, GM Palya, New Thippasandra post. Bengaluru	Promoting Education	Bengaluru, Karnataka	2,71,433.00	2,71,433.00	Nil	Direct
66	1) Purv Madhyamik Vidyalaya, Rasulpur, Kaysatha. 2) Primary School, Rasulpur, Kaysatha. 3) Purv Madhyamik Vidyalaya, Mirjapur, Chinhat. 4) Madhyamik Vidyalaya, Mirjapur, Chinhat.	Promoting Education	Lucknow, UP	1,45,000.00	1,45,000.00	Nil	Direct
67	Govt. Higher Primary School, Srirampura Jakkur post.	Promoting Education	Bengaluru, Karnataka	2,83,200.00	2,83,200.00	Nil	Direct
68	CGBVS Govt. Middle School, Nennmeli, Thirukkalukundram, Kancheepuram Dist.	Promoting Education	Chengalpattu, Tamilnadu	2,34,815.00	2,34,815.00	Nil	Direct
69	Panchayat Union Middle School, Ayyamplyam Village, Thanthoni Union Karur	Promoting Education	Karur, Tamilnadu	1,44,000.00	1,44,000.00	Nil	Direct
70	Mandal Parishad Primary School and Anganawadi, Nagaiah gudem village, Mothey Mandal, Suryapet Dist.	Promoting Education	Khammam, Andhrapradesh	89,050.00	89,050.00	Nil	Direct
71	Govt. Middle School, Lambakheda, Bhopal Dist.	Promoting Education	Bhopal, Madhya Pradesh	1,35,500.00	1,35,500.00	Nil	Direct
72	Govt. Higher Secondary Schools, Devatiyan, Mandideep	Promoting Education	Mandideep, Madhya Pradesh	48,900.00	48,900.00	Nil	Direct
73	Govt. Primary School, Mandpa, Greater Noida.	Promoting Education	Greater Noida, UP	4,80,900.00	4,80,900.00	Nil	Direct
74	Govt. Samyukth PU College (High School Division), Kavoor, Mangalore.	Promoting Education	Mangalore, Karnataka	9,65,800.00	9,65,800.00	Nil	Direct
75	Govt. Primary School, Basavanapura, BG Road, Gottigere Post, Bengaluru South, Bengaluru:	Promoting Education	Bengaluru, Karnataka	1,22,455.00	1,22,455.00	Nil	Direct
76	Govt. Primary School, Kalena Agrahara, BG Road, Bengaluru South, Bengaluru:	Promoting Education	Bengaluru, Karnataka	1,96,262.00	1,96,262.00	Nil	Direct
77	A.UP Govt. Primary School, Kurshi-First, Nindura, Barabanki. B.UP Govt. Junior High School, Kursi, Nindura, Barabanki. C.UP Govt. Primary School, Banoma, Barabanki.	Promoting Education	Lucknow, UP	3,36,105.00	3,36,105.00	Nil	Direct
78	A.D.K District Panchayat Higher Primary School, Padavu, Bikerakatte, Mangalore	Promoting Education	Mangalore, Karnataka	7,21,100.00	7,21,100.00	Nil	Direct
79	Mandal Parishad Upper Primary School, Bobbarlanka, Atrepuram Mandal, East Godavari.	Promoting Education	Rajahmundry, Andhra Pradesh	2,21,412.00	2,21,412.00	Nil	Direct
80	Government Primary School, Murugeshpalya, Bengaluru.	Promoting Education	Bengaluru, Karnataka	1,34,112.00	1,34,112.00	Nil	Direct
81	Government Primary School, Nagondanahalli, Bengaluru.	Promoting Education	Bengaluru, Karnataka	86,503.00	86,503.00	Nil	Direct
82	Government Primary School, GM Palya, New Tippasandra Post, Bengaluru.	Promoting Education	Bengaluru, Karnataka	1,13,708.00	1,13,708.00	Nil	Direct
83	Government Primary School, Kadugodi, Bengaluru.	Promoting Education	Bengaluru, Karnataka	2,38,045.00	2,38,045.00	Nil	Direct
84	Government Primary School, AKG Colony, Channasandra, Bengaluru	Promoting Education	Bengaluru, Karnataka	1,40,913.00	1,40,913.00	Nil	Direct
85	Govt. Higher Primary School, Chikkadevasandra, KR Puram, Bengaluru.	Promoting Education	Bengaluru, Karnataka	1,46,152.00	1,46,152.00	Nil	Direct
86	Govt. Girls Higher Secondary School, Sriperumbudur	Promoting Education	Sriperumbudur, Tamilnadu	97,500.00	97,500.00	Nil	Direct
87	Govt. Model Primary School, Doddabettahalli, Bengaluru	Promoting Education	Bengaluru, Karnataka	3,77,163.00	3,77,163.00	Nil	Direct
88	Government Model Primary School, Kagglipura, Kanakapura Road	Promoting Education	Bengaluru, Karnataka	2,46,175.00	2,46,175.00	Nil	Direct
89	Govt. Higher Primary School, BTM Layout, Bengaluru	Promoting Education	Bengaluru, Karnataka	5,50,710.00	5,50,710.00	Nil	Direct
90	Govt. Upper Primary School, Bairaveshwaranagar, Moodalapalya, Bengaluru	Promoting Education	Bengaluru, Karnataka	1,61,445.00	1,61,445.00	Nil	Direct
91	Government Primary School, Pudukottai, Trichy	Promoting Education	Trichy, Tamilnadu	22,320.00	22,320.00	Nil	Direct
92	Purva Madhyamik Vidhyalay, Nivada, Samogarh, Allahabad	Promoting Education	Allahabad, UP	2,05,200.00	2,05,200.00	Nil	Direct

Sl no.	CSR project or activity identified	Sector in which the project is covered	District where projects was undertaken	Amount outlay (budget) project or program wise (₹)	Amount spent on the projects or programs (₹)	Cumulative expenditure upto the reporting period	Amount spent: Direct or through agency
93	Government Higher Primary School, Kagglahalli, Harohalli, Kanakapura Road	Promoting Education	Bengaluru, Karnataka	98,470.00	98,470.00	Nil	Direct
94	Govt. Kannada Higher primary school, singapura, north zone	Promoting Education	Bengaluru, Karnataka	3,49,225.00	3,49,225.00	Nil	Direct
95	Adi Dravida welfare primary school, nagalkeni, chrompet, annasalai	Promoting Education	Chennai, Tamilnadu	95,500.00	95,500.00	Nil	Direct
96	GGHS, Mahbubia, Gunfoundry, Hyderabad	Promoting Education	Hyderabad, Telangana	66,035.00	66,035.00	Nil	Direct
97	Govt. Higher Primary School, Kothihosahalli, Bang north	Promoting Education	Bengaluru, Karnataka	3,68,102.00	3,68,102.00	Nil	Direct
98	Govt Model Kannada primary school, Chamarajpet. Govt. Model Primary School, Thannisandra. Govt. Primary School, Gulbarga colony, Byrasandra	Promoting Education	Bengaluru, Karnataka	10,99,425.00	10,99,425.00	Nil	Direct
99	Govt. Higher Primary School Thippur, Gagenahalli	Promoting Education	Mysore, Karnataka	21,412.00	21,412.00	Nil	Direct
100	AMK Govt. Higher secondary school, Ammaiarkuppam thiruvallur	Promoting Education	Thiruvallur, Tamilnadu	1,00,750.00	1,00,750.00	Nil	Direct
101	Govt. Primary School. Krishtareddy pet.	Promoting Education	Hyderabad, Telangana	3,71,000.00	3,71,000.00	Nil	Direct
102	Govt. Aadhi Dravidar Welfare Higher Secondary School, Keela Anbli, Trichy	Promoting Education	Trichy, Tamilnadu	60,600.00	60,600.00	Nil	Direct
103	Govt. Higher Primary School, Agara	Promoting Education	Bengaluru, Karnataka	2,57,337.00	2,57,337.00	Nil	Direct
104	Andhra Pradesh Social Welfare Residential School (Govt. School)	Promoting Education	Kakinada, Andhra Pradesh	1,56,600.00	1,56,600.00	Nil	Direct
105	VPU Primary School, Eswaran Koil Street Ramapuram. Govt. Girls Higher Primary Secondary School, Kundrathur, Chennai	Promoting Education	Porur, Tamilnadu	2,71,200.00	2,71,200.00	Nil	Direct
106	M P P School, Duppada, Vizianagaram Dist	Promoting Education	Vizianagaram, Andhra Pradesh	35,120.00	35,120.00	Nil	Direct
107	CSI Primary School, Pappanaickenpalayam, Coimbatore	Promoting Education	Coimbatore, Tamilnadu	24,550.00	24,550.00	Nil	Direct
108	Zilla Parishad Secondary High School, Atmakur	Promoting Education	Warangal, Telangana	1,10,300.00	1,10,300.00	Nil	Direct
109	Govt. Primary School Ladpur, Dehradun	Promoting Education	Dehradun, Uttarakhand	1,54,575.00	1,54,575.00	Nil	Direct
110	Govt. Higher Primary School, Bhovi Palya(Shantipura), Huskur post	Promoting Education	Bengaluru, Karnataka	2,34,551.00	2,34,551.00	Nil	Direct
111	Panchayat union primary school, sriperumbadur west. Panchayat union primary school, sriperumbadur East. Govt. Girls Higher Secondary School -Sriperumbadur	Promoting Education	Sriperumbudur, Tamilnadu	1,74,050.00	1,74,050.00	Nil	Direct
112	Govt. Middle school Ganaur Mandi	Promoting Education	Sonepat, Haryana	1,67,425.00	1,67,425.00	Nil	Direct
113	Sree parvathi janaseva samithi, for mentally retarded women and girl children	Women empowerment	Trichur, Kerala	1,02,100.00	1,02,100.00	Nil	Direct
114	Govt. Middle School, Sipara, Block Phulwarisharif, Patna	Promoting Education	Patna, Bihar	4,42,980.00	4,42,980.00	Nil	Direct
115	Zilla parishad high school, Ramavarapadu, Vijayawada	Promoting Education	Vijayawada, Andhrapradesh	4,22,300.00	4,22,300.00	Nil	Direct
116	Construction of Unit for Braille Transcript Centre - Canara Bank Relief & Welfare Society	Welfare majors	Bengaluru, Karnataka	31,13,210.00	31,13,210.00	Nil	Direct
117	Provided saplings with pots/tree guards to the customers	Environmental protection	Our branches across India	1,44,150.00	1,44,150.00	Nil	Direct
				337,84,700.00	337,84,700.00		

ANNEXURE 7

BUSINESS RESPONSIBILITY REPORT

Business Responsibility Report is a disclosure mandated by the Securities and Exchange Board of India (SEBI) for the top 500 listed companies [Reg.34(2)(f)].

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 26564259/ 26565736 FAX: 080 26565746
4. Website	www.canfinhomes.com
5. Email id	compsec@canfinhomes.com investor.relationship@canfinhomes.com
6. Financial Year reported	2017-18
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	
Industrial Group	
As per National Industrial Classification – Ministry of Statistics and Programme Implementation	Housing Finance- 64192 Insurance – 65110
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	
a. Number of International Locations (Provide details of major 5)	NA (No overseas presence as of date).
b. Number of National Locations	As on date CFHL is spread across Country with 133 branches, 20 Affordable Housing Loan Centres and 17 Satellite offices in over 19 States/Union Territories. - development
10. Markets served by the Company - Local / State / National / International	India

SECTION B - FINANCIAL DETAILS OF THE COMPANY

1. Paid up capital	2,663.31 (₹ in Lakh)
2. Total turnover	1,54,177.25 (₹ in Lakh) (FY2017-18)
3. Total profit after taxes	30,177.43 (₹ in Lakh) (FY2017-18)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	1.12%
5. List of activities in which expenditure in four above has been incurred:	Providing Desks & benches/ Tables/ Almirah/ Green Board/ Chairs etc., Construction/ repair & renovation of Schools/ Hostels, Drinking water facility/ supply of other articles of necessity, Nalli kalli round tables/ chairs/ desk & benches/ drinking water facility, Providing Electrical & Electronic Items, Toilet Facility, Scholarship, Providing Schools bags/stationery items, Purchase of Hospitality Equipment, Necessity items at Old age home, Solar Lighting system, Tree planting under environmental protection/ sustainability/ saplings with tree guards/ pots to the customers, Career Digest Books to the Government Schools

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 Board of the Company is collectively responsible for the implementation of the BR policies of the Company.

b. Details of the BR head:

No.	Particulars	Details
1	DIN (if applicable)	07491088
2	Name	Shri S K Hota
3	Designation	Managing Director and CEO
4	Telephone No.	080-26568687
5	e-mail id	hotask@canfinhomes.com

2. Principle-wise (as per NVGs) BR Policy / policies (Reply in Y / N)**Principle 1**

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

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle:

Principle 3

Businesses should promote the well being of all employees:

Principle 4

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

Principle 5

Businesses should respect and promote human rights:

Principle 6

Businesses should respect, protect and make efforts to restore the environment:

Principle 7

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

Principle 8

Businesses should support inclusive growth and equitable development:

Principle 9

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 in 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/investors/CorporateGovernanceDocuments/								
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 of the working of this policy by an internal or external agency?	All the policies of the Company are reviewed/ evaluated internally.								

(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									
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)							*		

*Please refer the explanation given for Principle 7 above.

3. Governance related to BR:

- (a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO 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?

Yes. The Company believes in ethical and transparent practices. It is committed to maintain the highest standards of ethics in all spheres of its business activities. The Board of Directors and senior management have a responsibility to set exemplary standards of ethical behaviour. The Management constantly endeavours to inculcate this ethical behaviour at all levels in the organization so that it becomes an integral part of the work culture among all its employees.

The Company believes that transparency means being open in its relationship with its customers and all its stakeholders as well as in the conduct of its business. 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.

Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/ NGOs /Others?

Not applicable.

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

315 complaints were received during the financial year 2017-18, from various stakeholders (housing loan applicants, borrowers, depositors and debenture holders). 295 complaints, working out to 93.65 percent were satisfactorily resolved.

During the year, the Company had received 5 complaints (SEBI SCORES) from investors and all the complaints have been resolved satisfactorily.

Principle 2 - - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

The Company believes that a business done with moral values and principles will only sustain and has integrated its business values and operations to meet the expectations of its customers, employees, investors, stakeholders and community at large. The Company provides and maintains a clean, healthy and safe working environment for employees, customers and stakeholders. The Company strives to enhance its standards of service delivery. The biggest social responsibility of helping people to have homes of their own is the main objective of the Company. To facilitate the same, the Company has been providing loans to home buyers at competitive rates of interest through its various schemes.

1. List upto 3 products or services whose design has incorporated social or environmental concerns, risks and/ or opportunities.
- 10 Affordable Home Loan Centres (AHLCS) have been opened to cater to affordable housing loans under Credit Linked Subsidy Scheme (PMAY) [Rural Housing under Gruhalakshmi Rural Housing Scheme (GRHS) and under Loans for Urban Housing (LUH)] with lower rates of interest. Loans at concessional rate of interest to beneficiaries belonging to Economically Weaker Section (EWS), LIG & MIG, Women, Schedule Castes / Schedule Tribes / Other Backward Classes, Minorities, Persons with disabilities and Transgender.
 - To bring about the empowerment of women, the Company offers housing loans to women applicants who are the sole owner of the property or the first owner in a jointly owned property at concessional rates of interest.

- c. Schemes offering one- time concession of 0.05% in ROI for initial one year, for individual housing loans granted to women beneficiaries (for loans upto ₹25 lac in metro / urban areas), Naval / Airforce / Defence Personnel (both in service and after retirement) and physically challenged persons.
2. For each product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional)

Since the Company is not involved in any manufacturing activity, the reporting on use of energy, water, raw material etc. is not applicable. However, while considering financing housing project these factors are given due importance.

It may be mentioned here that the Company minimises the consumption of electrical energy and natural resources and under its green initiative, has installed solar power in 16 branches and has been ensuring usage of paper to the minimum.

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

Since the Company is not involved in any manufacturing activity, the reporting on sustainable sourcing is not applicable.

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

The Company has, to the best possible extent, tried to improve the capacity and capability of local and small vendors by patronizing them to supply / provide different services required by the Company for its day to day administration / operation.

5. Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5 percent, 5-10 percent,

>10 percent). Also, provide details thereof, in about 50 words or so.

Since the Company is not involved in any manufacturing activity, the reporting on recycle mechanism is not applicable. The Company minimises 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 well being of all employees

- Please indicate the total number of employees:**
Total number of employees as on March 31, 2018 was 648.
- Please indicate the total number of employees hired on temporary/ contractual/casual basis:**
54 are hired on a contractual basis.
- Please indicate the number of permanent women employees:**
143 are permanent women employees in the Company as on March 31, 2018, which constitute 24.07 percent of the total permanent employee strength of the Company.
- Please indicate the number of permanent employees with disabilities:**
NIL.
- Do you have an employee association that is recognised by management?**
There is no employees' association. However, mechanisms are in place for employees to represent their issues, if any, and the same is resolved amicably.
- What percentage of your permanent employees is members of this recognized employee association?**
Not Applicable.
- Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on 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 up-gradation training was provided in the last year?

- ▶ Permanent employees
- ▶ Permanent Women employees
- ▶ Casual/ Temporary/ Contractual employees
- ▶ Employees with disabilities

Internal and external training for upgrading and enhancing the skills and knowledge level was given to different categories of employees.

Principle 4 - Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable, and marginalised

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

The Company's key stakeholders include promoters, employees, customers, business associates, recovery agents, investors, agents, suppliers and regulatory agencies. Our Investors comprise of shareholders (including Institutional Investors, corporate bodies, foreign institutional investors, foreign bodies etc.).

The Company and its employees strive to provide value-based services to the stakeholders. 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 the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

The Company through its schemes for Affordable home loans helps customers with incomes in the lower brackets / lower strata of society and also through its CSR activities has visited Government schools in and around its various Branch locations and has helped improve infrastructure in 112 schools during the year.

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

Formal and informal consultations/ meetings are held with the different stakeholders at different management levels to obtain their ideas, views and opinions for better handling of their interests.

If the customers have any grievances, they can make a complaint in writing or email addressed to the concerned Branch Manager. In case the grievance is not resolved within 15 days, it can be escalated to the Complaint Redressal Officer in the Corporate Office.

The Company has also introduced a system of getting customer feedback online through a web based system. As per the system, customer logs into the Customer Portal through Company's website and record his/her feedback. The branches will go through such feedback and resolve the complaints/take necessary action for Resolution of the issues raised by the customer.

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 Ventures / Suppliers / Contractors / NGOs / Others?

The Company abides by the principle of respect and support for human rights and adheres to the spirit of fundamental rights in its policies and systems. The Company ensures that all individuals impacted by its business shall have access to grievance redressal mechanisms. The Company conducts business in a manner that respects the rights and dignity of all people, complying with all legal requirements.

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

During the year 5 complaints were received from investors (through SEBI Scores) and all the complaints have been resolved, ensuring 100% resolution of complaints as on March 31, 2018.

Principle 6 - Business should respect, 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 is committed to respect, protect and make efforts towards renewable resources to avoid depletion of natural resources. The Company has installed solar energy powered lighting and computer operation in 16 branches. The Company shall comply with legal / regulatory requirements related to environment protection, management and sustainable development.

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

Not applicable since the Company is engaged in providing finance for construction / purchase of house / flat.

The Company has replaced models of computers, printers and other equipment which were consuming more energy. The Company has installed solar energy powered lighting and computer operation in 16 branches. Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs.

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

Yes. The Company being in the business of granting housing loans ensures housing projects which are environmentally safe and secure, by taking opinion from the experts, i.e., from panel valuers.

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 filed?

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.

The Company has replaced models of computers, printers and other equipment which were consuming more energy. The Company has installed solar energy powered lighting and computer operation in 16 branches. Air conditioning equipment is cleaned and serviced on routine basis thereby saving energy and costs.

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 or association?

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

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

Not Applicable.

Principle 8 - Businesses should support inclusive growth and equitable development

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

The Company with its objective of promoting home ownership and increase housing stock across the Country functions on the principles of inclusive growth and equitable development. By opening 173 offices (March 31, 2018) throughout the Country, which includes 20 Affordable Home Loan Centres and 20 Satellite Offices to exclusively cater to affordable loans under rural housing, urban housing, PMAY (CLSS) schemes - EWS/LIG/MIG, the Company is trying in its own way to contribute to the overall development of the country.

Further the Company as part of its CSR initiative, with an intention to benefit the poor and marginalised people in the society has helped improve infrastructure in 112 Government schools during the year.

2. Are the programmes/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 has identified and funded 112 schools for infrastructure and basic amenities that were lacking, through its in- house teams.

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

All CSR activities of CFHL are conducted with the direct involvement of Company officials and the impact of the initiative are measured by follow-up visits.

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

Apart from contributions towards CSR activities to the extent of ₹3.38 Crore, the Company has made small contributions towards other activities viz., Yoga events, Marathon conducted to supports under-privileged children, etc.

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.

Not applicable.

Principle 9 - Businesses 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 financial year.

Percentage of customer complaints pending as on March 31, 2018 - 6.35 percent.

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

CFHL is a housing finance Company and 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 behaviour during the last five years and pending as on 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 has not carried out any formal consumer survey/ consumer satisfaction trends. However, the Company collects customer feedback on-line through customer portal hosted on the website of the Company.

Place: Bengaluru
Date : June 02, 2018

Sd/-
S K Hota
Managing Director

Sd/-
K N Prithviraj
Chairman

ANNEXURE 8

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]

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.

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, 2018, which were not in arm's length basis.

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, 2018 are as follows:

Nature of Contract	Nature of relationship	Date of Sanction	Tenure (years)	Salient Terms *	Outstanding Amount (₹ in Crore)	Interest Paid
1) Loans from Canara Bank						
Term loan 139 - LOC	Sponsor Bank	15/12/16	10	TL at MCLR	0.00	4.04
Term loan 142 - LOC	Sponsor Bank	15/12/16	10	TL at MCLR	0.00	0.50
Term Loan 133	Sponsor Bank	15/12/16	10	TL at MCLR	0.00	17.26
Term Loan 143	Sponsor Bank	21/08/17	10	TL at MCLR	1,500.00	66.50
Term Loan 150	Sponsor Bank	27/02/18	10	TL at MCLR	200.00	0.75
Term Loan 153	Sponsor Bank	27/02/18	10	TL at MCLR	200.00	0.48
Term Loan 157	Sponsor Bank	27/02/18	10	TL at MCLR	100.00	0.13
2) Working Capital from Canara Bank	Sponsor Bank	27/02/18	1	Over Draft facility	292.99	8.30
Working Capital from Canara Bank	Sponsor Bank	27/02/18	1	Over Draft facility	275.05	10.36
Total					2,568.04	108.32

*(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					
0684.302.216/35	Sponsor Bank	28-06-16	1	Fixed Deposit at 7.50%	0.00
0684.302.216/37	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/38	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/39	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/40	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/41	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/42	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/43	Sponsor Bank	30-06-16	1	Fixed Deposit at 7.55%	0.00
0684.302.216/44	Sponsor Bank	04-07-16	1	Fixed Deposit at 7.50%	0.00
0684.302.216/45	Sponsor Bank	04-07-16	1	Fixed Deposit at 7.50%	0.00
0684.302.216/46	Sponsor Bank	28-07-16	1	Fixed Deposit at 7.50%	0.00
0684.302.216/47	Sponsor Bank	28-07-16	1	Fixed Deposit at 7.50%	0.00
0684.302.216/48	Sponsor Bank	22-08-16	1	Fixed Deposit at 7.25%	0.00
0684.302.216/49	Sponsor Bank	22-08-16	1	Fixed Deposit at 7.25%	0.00
0684.302.216/50	Sponsor Bank	30-09-16	1	Fixed Deposit at 7.25%	0.00
0684.302.216/51	Sponsor Bank	31-03-17	1	Fixed Deposit at 7.25%	0.00
0684.302.216/52	Sponsor Bank	25-02-17	1	Fixed Deposit at 6.90%	0.00
0684.302.216/54	Sponsor Bank	31-03-17	1	Fixed Deposit at 6.90%	0.00
0684.302.216/58	Sponsor Bank	28-06-17	1	Fixed Deposit at 6.90%	0.20
0684.302.216/59	Sponsor Bank	03-07-17	1	Fixed Deposit at 6.75%	0.50
0684.302.216/60	Sponsor Bank	03-07-17	1	Fixed Deposit at 6.75%	0.50
0684.302.216/61	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.50
0684.302.216/62	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.90
0684.302.216/63	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.90
0684.302.216/64	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.90
0684.302.216/65	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.90
0684.302.216/66	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.90
0684.302.216/67	Sponsor Bank	30-07-17	1	Fixed Deposit at 6.65%	0.50
0684.302.216/68	Sponsor Bank	21-08-17	1	Fixed Deposit at 6.75%	0.50
0684.302.216/69	Sponsor Bank	21-08-17	1	Fixed Deposit at 6.75%	0.50
0684.302.216/72	Sponsor Bank	30-09-17	1	Fixed Deposit at 6.50%	0.70
0684.302.216/73	Sponsor Bank	30-09-17	1	Fixed Deposit at 6.50%	0.75
0684.302.216/74	Sponsor Bank	25-02-18	1	Fixed Deposit at 6.50%	0.55
0684.302.216/75	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.90%	0.75
0684.401.2868/9	Sponsor Bank	10-02-18	1	Fixed Deposit at 6.90%	0.00
0684.401.2868/10	Sponsor Bank	28-03-18	1	Fixed Deposit at 6.90%	0.00
0684.401.2868/11	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.90%	0.00
0684.401.2868/12	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.90%	0.00
0684.401.2868/13	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.90%	0.00
0684.401.2868/14	Sponsor Bank	28-08-17	1	Fixed Deposit at 6.75%	0.52
0684.401.2868/15	Sponsor Bank	28-08-17	1	Fixed Deposit at 6.75%	0.52
0684.401.2868/16	Sponsor Bank	10-02-18	1	Fixed Deposit at 6.50%	1.06
0684.401.2868/17	Sponsor Bank	28-03-18	1	Fixed Deposit at 6.50%	0.43
0684.401.2868/18	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.50%	0.80
0684.401.2868/19	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.50%	0.80
0684.401.2868/20	Sponsor Bank	31-03-18	1	Fixed Deposit at 6.50%	0.53
2673302.149/9	Sponsor Bank	31-12-18	1	Fixed Deposit at 6.50%	0.50
2673302.149/10	Sponsor Bank	31-12-18	1	Fixed Deposit at 6.50%	0.50
2673302.149/11	Sponsor Bank	31-12-18	1	Fixed Deposit at 6.50%	0.70
TOTAL					16.81
2) Total Interest earned on Canara Bank Deposit					1.15

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	0.42
Bank charges paid to Canara Bank	Sponsor Bank	On going	As per norms	0.23
Salary of Managing Director/s paid to Canara Bank	Sponsor Bank	On going	As per norms	0.26
Sitting Fees of Directors paid to Canara Bank	Sponsor Bank	On going	As per norms	0.04
Commission received	Sponsor Bank	One time		0.19
Rent received from Canara Bank	Sponsor Bank	On going	Flat at Pune given on Rent to Canara Bank	0.0024
Registrar & Transfer Agency charges paid to Canbank Computer Services Ltd	Subsidiary of Sponsor Bank	3 years	As per the R&T agreement	0.16
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.	20.00 Interest 1.11
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.	40.00 Interest 2.82
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.	10.00 Interest 0.76
Investment in Liquid Fund in Canara Robeco Asset Management Company Ltd	Joint venture with Sponsor Bank	One time	Interest earned as per the terms of the MF	0.19

Appropriate approvals have been taken for related party transactions u/s 188 of Companies Act, 2013 at the 28th AGM of the Company held on July 08, 2015 & 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 : April 28, 2018

Sd/-
Atanu Bagchi
Deputy General Manager & CFO

Sd/-
S K Hota
Managing Director

Sd/-
K N Prithviraj
Chairman

ANNEXURE 9

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., <http://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. http://www.canfinhomes.com/Downloads/180608113754_Nomination-&-Remuneration-Policy.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. http://www.canfinhomes.com/Downloads/180608113620_Dividend-Distribution-Policy.pdf
Related Party Transactions Policy	The policy regulates all the transactions between the Company and its related parties. http://www.canfinhomes.com/Downloads/180608113841_Related-Party-Transactions-Policy.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. http://www.canfinhomes.com/Downloads/180608113917_Whistle-Blower-Policy.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. http://www.canfinhomes.com/Downloads/180608113345_CSR-Policy.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. http://www.canfinhomes.com/Downloads/180608113537_Disclosure-of-material-events-or-information.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. http://www.canfinhomes.com/Downloads/180608113712_Familiarisation-Policy.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. http://www.canfinhomes.com/downloads/180608191654_Archival_Policy.pdf

Name of the policy	Brief description & Web link
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. http://www.canfinhomes.com/Downloads/180608114217_CodeOfConduct-for-Directors.pdf http://www.canfinhomes.com/Downloads/180612062850_CodeOfConduct-for-IndependentDirectors.pdf http://www.canfinhomes.com/Downloads/180608114353_CodeOfConduct-for-Senior-Management-Personnel.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. http://www.canfinhomes.com/Downloads/180608113010_CodeOf-Fair-Disclosure-PIT-Regulations.pdf

ANNEXURE 10

EXTRACT OF ANNUAL RETURN

(Form No. MGT - 9)

As on the Financial year ended on March 31, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

i. CIN	L85110KA1987PLC008699
ii. Registration Date	29/10/1987
iii. Name of the Company	CAN FIN HOMES LIMITED
iv. Category/Sub-Category of the Company	Financial Institution – Housing Finance
v. Address of the Registered office and contact details	No.29/1, 1st Floor, Sir M N Krishna Rao Road, Near Lalbagh West Gate, Basavanagudi, Bengaluru – 560 004, Karnataka Tel: 080-26564259 E-mail: compsec@canfinhomes.com
vi. Whether listed Company	Yes
vii. Name, Address and Contact details of Registrar and Transfer Agent, if any	Canbank Computer Services Ltd. Unit: Can Fin Homes Ltd., R&T Centre, No.218, J P Royale, 1st Floor, 2nd Main Sampige Road, (Near 14th Cross) Malleshwaram, Bengaluru – 560 003 Contact Person: Shri A Ravi, Manager Tel: 080-23469661/662/665 e-mail: ravi@ccsl.co.in

II. Principal Business Activities of the Company

All the business activities contributing 10% or more of the total turnover of the company shall be stated :-

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1.	Housing Loans	64192*	89.49%
2.	Non housing	-	10.51%

*NIC code - 2008 [NIC - 2004 - 65922]

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	%of shares held	Applicable Section
			NIL		

IV. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)**i) Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year– March 31, 2017				No. of Shares held at the end of the year- March 31, 2018				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Others(Specify)									
i) Non-Resident Indians	6058995	8500	6067495	4.56	1958307	10000	1968307	1.48	(3.08)
ii) Clearing Members	2859115	-	2859115	2.15	794138	-	794138	0.60	(1.55)
iii) Hindu Undivided Families	863385	-	863385	0.65	982140	-	982140	0.74	0.09
iv) Employee Shareholders	9400	19385	28785	0.02	7300	18385	25685	0.02	-
v) Director & their relatives	-	-	-	-	-	-	-	-	-
vi) Custodian	-	-	-	-	-	-	-	-	-
vii) Trusts	19760	-	19760	0.01	13256	-	-	0.01	-
viii) Foreign Corporate Bodies	17920770	-	17920770	13.46	24648700	-	24648700	18.51	5.05
ix) Foreign National/ Individual	1365	-	1365	-	0	-	0	-	-
x) IEPF Authority	-	-	-	-	248050	-	248050	0.19	0.19
Sub-total (B)(2)	86482755	4246385	90729140	68.17	86014690	3103770	89118460	66.93	(1.24)
Total Public Shareholding (B)=(B) (1)+(B) (2)	88148415	4259885	92408300	69.43	90116990	3106770	93223760	70.01	0.58
C. Shares held by Custodian for GDRs & ADRs									
Grand Total (A+B+C)	128841325	4259885	133101210	100.00	130047355	3106770	133154125	100.00	-

Note: At the beginning of the year the face value of equity shares was ₹10/- . W.e.f. October 13, 2017 the face value was sub-divided into ₹2/- share. Opening balance is converted to ₹2/- face value for the sake of convenience. The percentage of shareholding is calculated on the paid up share capital.

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	% change in share holding during the year
1.	Canara Bank	39930365	30.00	-	39930365	29.99	-	(0.01)
	Total	39930365	30.00	-	39930365	29.99	-	(0.01)

Note: At the beginning of the year the face value of equity shares was ₹10/- . W.e.f. October 13, 2017 the face value was sub-divided into ₹2/- share. Opening balance is converted to ₹2/- face value for the sake of convenience. The percentage of shareholding is calculated on the paid up share capital.

iii. Change in Promoters' Shareholding (please specify, if there is no change)

Sr. no	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	39930365	30.00	39930365	30.00
Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	-	-	-	(0.01)
At the End of the year	39930365	30.00	39930365	29.99

Note: The variation of 0.01% is due to allotment of shares (which were kept under abeyance during Rights Issue during March 2015) as the Judgement of Hon'ble High Court of Kerala to 4 shareholders.

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters, Holders of GDRs and ADRs)

Sr. no	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1. CALADIUM INVESTMENT PTE LTD				
At the beginning of the year	17904245	13.45	17904245	13.45
Date wise Increase / Decrease in Shareholding during the year: April 01, 2017 to March 31, 2018	-	-	-	-
At the End of the year	17904245	13.45	17904245	13.45
2. CHHATTISGARH INVESTMENTS LIMITED				
At the beginning of the year	13350000	10.03	13350000	10.03
Date wise Increase / Decrease in Shareholding during the year: Sale				
From April 01, 2017 to March 31, 2018	(476945)	(0.36)	12873055	9.67
At the End of the year	12873055	9.67	12873055	9.67
3. WF ASIAN RECONNAISSANCE FUND LIMITED				
At the beginning of the year	0	0.00	0	0.00
Date wise Increase / Decrease in Shareholding during the year: Purchase				
From April 01, 2017 to March 31, 2018	2724321	2.05	2724321	2.05
At the End of the year	2724321	2.05	2724321	2.05
4. NITIN RAOJIBHAI DESAI				
At the beginning of the year	1390135	1.04	1390135	1.04
Date wise Increase / Decrease in Shareholding during the year: Purchase				
From April 01, 2017 to March 31, 2018	766465	0.58	2156600	1.62
At the End of the year	2156600	1.62	2156600	1.62

iv. Shareholding pattern of top ten shareholders (other than Directors, Promoters, Holders of GDRs and ADRs) (Contd..)

Sr. no		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
5	SARDA ENERGY AND MINERALS LIMITED				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	1500000	1.13	1500000	1.13
	At the End of the year	1500000	1.13	1500000	1.13
6	RELIANCE STRATEGIC INVESTMENTS LIMITED				
	At the beginning of the year	0	0.00	0	0.00
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	1169931	0.88	1169931	0.88
	At the End of the year	1169931	0.88	1169931	0.88
7	GHANSHYAMDAS MUNDRA				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	666570	0.50	999070	0.75
		999070	0.75	999070	0.75
8	KOTAK EQUITY ARBITRAGE FUND				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	825000	0.62	825000	0.62
		825000	0.62	825000	0.62
9	MOTILAL OSWAL FOCUSED EMERGENCE FUND				
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	800000	0.60	800000	0.60
	At the End of the year	800000	0.60	800000	0.60
10	BASANT MAHESHWARI WEALTH ADVISERS LLP				
	At the beginning of the year	14750	0.01	14750	0.01
	Date wise Increase / Decrease in Shareholding during the year: Purchase:				
	From April 01, 2017 to March 31, 2018	594927	0.45	609677	0.46
		609677	0.46	609677	0.46

P.S: Note: At the beginning of the year the face value of equity shares was ₹10/- . W.e.f. October 13, 2017 the face value was sub-divided into ₹2/- share. Opening balance is converted to ₹2/- face value for the sake of convenience. The percentage of shareholding is calculated on the paid-up share capital.

v. Shareholding of Directors and Key Managerial Personnel

Sr. no	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
		NIL		NIL

VI. Indebtedness**Indebtedness of the Company including interest outstanding/accrued but not due for payment (in ₹)**

	Secured loans excluding deposits	Unsecured loans excluding deposits	Deposits	Total
Opening balance				
Principal	88569152365	27883862627	2266487539	118719502531
Interest due but not paid	-	-	-	-
Interest accrued but not due for payment	1504107206	904110	-	1505011316
Total	90073259571	27884766737	2266487539	120224513847
Change in indebtedness				
Addition	47700000000	61250530411	2811650522	111762180933
Reduction	36185556806	53661724522	2795140256	92642421584
Net Change	11514443194	7588805889	16510266	19119759349
Closing Balance				
Principal	101490894544	35473572626	2282997805	139247464975
Interest due but not paid	-	-	-	-
Interest accrued but not due for payment	96808221	-	-	96808221
Total	101587702765	35473572626	2282997805	139344273196

VII. Remuneration of Directors and Key Managerial Personnel**A. Remuneration to Managing Director**

(Amount in ₹)

Sl. No	Particulars of Remuneration	Name of MD/WT/ Manager	Total Amount
		S K Hota	
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1697135	1697135
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	- as % of profit	-	-
	- others, Incentive/LFC	314372	314372
5	Others (Company's contribution to PF)	98284	98284
	Total (A)	2109791	2109791
	Ceiling as per the Act	-	-

P.S.: Re-imbursement of salary to Canara Bank for the year ended March 31, 2018.

B. Remuneration of other Directors

(Amount in ₹)

Sl. no	Particulars of Remuneration	Name of Directors				Total Amount
1	Independent Directors	K N Prithviraj	T V Rao	G Naganathan	Bharati Rao	
	Fee for attending Board and Committee meetings	220000	380000	370000	190000	1160000
	Commission	-	-	-	-	-
	Others, Please specify	-	-	-	-	-
	Total (1)	220000	380000	370000	190000	1160000
2	Other Non-Executive Directors	P V Bharathi	S A Kadur			
	Fee for attending Board and Committee meetings	210000	170000	-	-	380000
	Commission	-	-	-	-	-
	Others, Please specify	-	-	-	-	-
	Total (2)	210000	170000	-	-	380000
	Total (B)=(1+2)	430000	550000	370000	190000	1540000
	Total Managerial Remuneration	-	-	-	-	-
	Overall Ceiling as per the Act	-	-	-	-	-

C. Remuneration to Key Managerial Personnel other than Managing Director, Whole-time Director and Manager

(Amount in ₹)

Sl. No	Particulars of Remuneration	Key Managerial Personnel		
		Atanu Bagchi	Veena G Kamath	Total
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	1264819	1284724	2549543
	b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	5399		5399
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, Incentive/LFC	346014	299426	645440
5	Others (Company's contribution to PF)	121930	105973	227903
	Total (A)	1738162	1690123	3428285
	Ceiling as per the Act	-	-	-

VIII. Penalties/Punishments/Compounding of Offences

There were no penalties/punishments/compounding of offences for the year ending March 31, 2018

Place: Bengaluru
Date : June 02, 2018

Sd/-
Veena G Kamath
Company Secretary

Sd/-
S K Hota
Managing Director

Sd/-
K N Prithviraj
Chairman

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE

Corporate Governance is a set of systems and practices ensuring commitment to values, compliance of statutory regulations, political and economic environments, ethical conduct of business, accountability, transparency, voluntary practices, 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 ensured by taking fair and ethical business decisions and also conducting business taking into account the stakeholders' interests. Corporate Governance is the key to the integrity of corporations, financial institutions and markets.

Our country has witnessed several structural and regulatory changes in the recent past viz., the Companies Act, 2013 and SEBI's Listing Obligations and Disclosure Requirements Regulations, etc., which have contributed significantly in strengthening governance norms and in increasing accountability by way of disclosures. The performance evaluation of directors, independence of directors, responsibilities of Board and Committees, accountability to stakeholders, timely disclosure norms, risk management, related party transactions, disclosure of material events, etc. have been made effective.

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.

CORPORATE GOVERNANCE AT CFHL

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 too.

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 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.

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 the past 30 years, 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. 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 CFHL.

BOARD OF DIRECTORS

The Board consists of eight members with an optimum combination of executive and non-executive directors, with 2 women directors. 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, HR, risk management, resources, law and other relevant areas. The Board Diversity Policy forms part of the Nomination and Remuneration Policy of the Company, which is available on the website of the Company ([http://www.canfinhomes.com/Investors/corporate governance documents](http://www.canfinhomes.com/Investors/corporate%20governance%20documents)) (path). For link please refer Annexure 9 of Report 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. and the Board applies high ethical standards and acts with due diligence, care and in the best interest of the Company and its stakeholders.

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 Companies 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.

Composition

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, 2018
1	Shri K N Prithviraj, Chairman	71	00115317	Independent Non-Executive	Nil
2	Shri S K Hota, Managing Director	51	07491088	Promoter & Executive	Nil
3	Smt P V Bharathi	58	06519925	Promoter & Non-Executive	Nil
4	Shri S A Kadur	59	06426985	Promoter & Non-Executive	Nil
5	Shri T V Rao	65	05273533	Independent Non-Executive	Nil
6	Shri G Naganathan, FCA	55	00423686	Independent Non-Executive	Nil
7	Smt Bharati Rao	69	01892516	Independent Non-Executive	Nil
8	Shri Shreekant M Bhandiwad*	48	08120906	Promoter & Executive	Nil

*Appointed w.e.f. April 28, 2018

No. of Shares of Can Fin Homes Ltd.

The Chairman of the Board Shri K N Prithviraj is an Independent non-executive Chairman. Shri S K Hota is the Managing Director (Promoter & Executive Director) of the Company since May 19, 2016. Smt P V Bharathi and Shri S A Kadur are Non-executive Promoter Directors and Shri T V Rao and Shri G Naganathan are Independent non-executive Directors on the Board. The Board has appointed Smt Bharati Rao as an additional director (Independent) w.e.f. September 05, 2017 and Shri Shreekant M Bhandiwad, DGM of Canara Bank as a whole-time director designated as Dy. Managing Director w.e.f. April 28, 2018.

The composition of the Board is as specified in Regulation 17(1) of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and also as required under Chapter XI of the Companies Act, 2013.

The Non-Executive Directors are eligible for sitting fees for attending the meetings of the Board and Committees, within the limits prescribed under the Companies Act, 2013.

None of the Board of Directors are related inter-se. However, Smt P V Bharathi is an Executive Director of Canara Bank; Shri S A Kadur and Shri S K Hota are General Managers in Canara Bank; and Shri Shreekant M Bhandiwad is a Dy. General Manager in Canara Bank, the promoter of the Company.

Attendance of each Director etc.

The details of the Board of Directors in terms of their attendance, number of meetings attended/held during the financial year ended March 31, 2018, sitting fees paid and their attendance at the AGM are as under:

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 June 28, 2017
Shri K N Prithviraj, Chairman	10/10	2,00,000	Attended
Shri S K Hota, Managing Director	10/10	NA	Attended
Smt P V Bharathi	05/10	1,00,000#	Not Attended
Shri S A Kadur	07/10	1,40,000#	Attended
Shri T V Rao	09/10	1,80,000	Attended
Shri G Naganathan, FCA	10/10	2,00,000	Attended
*Smt Bharati Rao	05/05	1,00,000	-
**Shri Shreekant M Bhandiwad	-	-	-

*Appointed as an Additional Director (Independent) on Board w.e.f September 05, 2017

**Appointed w.e.f. April 28, 2018

#Sitting fee paid to Canara Bank

Number of Directorships and Memberships in Committees etc. as on March 31, 2018.

The details of the Board of Directors in terms of their directorships held, in public limited companies, listed companies etc. and their memberships/ Chairmanships in Audit Committee (AC) and Stakeholders Relationship Committee (SRC) are as under:

Name of the Director	Total Directorships disclosed (including CFHL)	Directorships held including at CFHL #				*Membership of AC & SRC in public limited companies (including CFHL)	Chairman of AC & SRC Committees in public companies
		Public Limited	Others	Listed @	Unlisted		
Shri K N Prithviraj, Chairman	6 [^]	5	1	3	3	0	Nil
Shri S K Hota, Managing Director	1	1	Nil	1	Nil	1	Nil
Smt P V Bharathi	9	2	7	2	7	0	Nil
Shri S A Kadur	1	1	Nil	1	Nil	1	Nil
Shri T V Rao	10	9	1	7	3	6	2
Shri G Naganathan, FCA	1	1	Nil	1	Nil	2	1
Smt Bharati Rao	10	9	1	7	3	8	Nil

#The number of Directorships held by the directors in public limited companies are within the prescribed limits in terms of Section 165 of the Companies Act, 2013 and the directorships held by Independent Directors and Membership/Chairmanship of Board Committees held by the Directors are in conformity with Regulations 25 and 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

* Total membership includes Chairmanship

@ In terms of Reg.17A (2) of SEBI(LODR) Regulations, 2015, as amended vide notification dated May 09, 2018, the Count for number of listed entities shall be only those whose equity shares are listed on Stock Exchange.

[^] The director is an Administrator in Specified Undertakings of UTI (Govt. Body).

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 agenda, Board notes, including explanatory notes are circulated to all the directors well in advance. 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 decisions taken on the agenda are promptly communicated to the concerned departments. The Action Taken Report (ATR) on the decisions of the previous meetings is placed at the succeeding meeting of the Board for review/noting. A similar procedure is followed for each meeting of the Board committees.

The Board of Directors of your Company met 10 times during the FY17-18: April 25, 2017, May 15, 2017, June 23, 2017, July 21 2017, September 05, 2017, September 27, 2017, October 24, 2017, December 06, 2017, January 23, 2018 and March 05, 2018. The Board met on April 28, 2018 to approve the annual audited financial results of the Company for the year ended March 31, 2018.

The maximum interval between two meetings did not exceed 120 days.

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.

The Independent Directors have given a declaration to the Company 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, etc. are rated by all the Directors (excluding the Director being evaluated).

Meeting of Independent Directors:

The Independent Directors at their meeting held during the year have reviewed, inter-alia, the performance of the Board as a whole, the Committees, the Managing Director, the non-independent directors and the Chairperson. They also assess the quality, quantity and timeliness of the flow of information from the Management to the Board. The evaluation formats of the Board, Committees and directors are prepared considering the guidance note on Board Evaluation vide SEBI Circular No. SEBI/HO/CFD/ CMD/P/2017/004 dated January 05, 2017.

Appointment/re-appointment / resignations of Directors

The Board of Directors has appointed Smt Bharati Rao, on the Board of the Company with effect from September 05, 2017 as an additional director and as an Independent Director pursuant to Section 161, 149 and all other applicable provisions of Companies Act, 2013 and Regulation 17 of SEBI (LODR) Regulations, 2015.

The Board of Directors has appointed Shri Shreekant M Bhandiwad, Dy. General Manager of Canara Bank, as an additional director and Whole-time Director designated as Deputy Managing Director w.e.f., April 28, 2018 pursuant to Sections 152, 161, 178, 196 to 198, 203 and all other applicable provisions of the Companies Act, 2013 and related rules read with Schedule V.

Pursuant to the provisions of the Companies Act, 2013, Shri S A Kadur, Director of the Company is retiring by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Shri S A Kadur, is a Director of the Company since June 07, 2013. At present, Shri S A Kadur, is the General Manager of Canara Bank.

Brief profiles of Smt Bharati Rao, Shri Shreekant M Bhandiwad and Shri S A Kadur, are provided in page 21 and 22 of this Annual Report.

Agenda relating to appointment of Smt Bharati Rao as an Independent Director, appointment of Shri Shreekant M Bhandiwad as Whole-time Director and re-appointment of Shri S A Kadur, Director are forming part of the Notice of the ensuing Annual General Meeting.

The further particulars of their Directorships are provided in the explanatory statement forming part of the Notice of the ensuing Annual General Meeting.

All the Directors have filed their consents and declarations as required under the provisions of Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016.

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) 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, 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, NHB Directions and such other law 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 fulfillment 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 Nomination & Remuneration Policy, Related Party Transaction 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, etc. are displayed on the Company's official website.

Familiarisation Programme

The Company has in place a system of conducting the familiarisation programme for Independent Directors, as per which the Independent Directors were familiarised with their roles, rights, responsibilities, nature and the business model of the Company, etc. The said policy and the details of the familiarisation programmes conducted during FY17-18 are placed on the website of the Company at [http://www.canfinhomes.com/Investors/Corporate Governance documents \(path\)](http://www.canfinhomes.com/Investors/Corporate%20Governance%20documents%20(path)). For related link please refer Annexure 9 of the Report of Directors.

All Directors, including Independent Directors, on induction will be appraised of the nature of industry and business model of the Company and the roles, rights, responsibilities in terms of 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, Company policies, internal controls, investor relations etc. were made at the various Committee/ Board Meetings of the Company.

Code of Conduct

For the year under review, all the Directors and senior management have affirmed compliance with the provisions of their Code of Conduct. A declaration from the Managing Director/CEO of the Company is placed as an annexure to the Report of Directors.

In terms of the Code of Conduct of Independent Directors as per Schedule IV of the Companies Act, 2013 w.e.f. April 01, 2014, 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 Management Personnel are made available in the Company's official website.

In terms of the new Directions issued by the National Housing Bank viz., 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.

Committees of the Board

The Board has constituted six Committees as of date viz. Audit Committee, Nomination Remuneration & HR Committee, Stakeholders' Relationship Committee, Corporate Social

Responsibility Committee, Risk Management Committee and Management Committee. In order to have a more focussed attention, the Board has delegated certain matters to the committees constituted by the Board with an outlined role, responsibility and with appropriate authority. The minutes of the meetings of all the committees are placed before the subsequent meeting of the Board for information.

AUDIT COMMITTEE (AC)

The qualified and independent Audit Committee of the Board has been exercising its powers and responsibilities judiciously. The Committee has four experienced and learned members of which three members including the Chairman of the Committee, are Independent Directors.

Brief description of terms of reference

The terms of reference of the Audit Committee inter-alia include:

Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible; recommendation for appointment, remuneration and terms of appointment of auditors of the Company; approval of payment to statutory auditors for their services; reviews, with the management, the quarterly and annual financial statements and limited review/ auditor's report thereon including report on adequacy of internal financial control before submission to the Board for approval, reviews and monitors the auditor's independence and performance and effectiveness of audit process.

The Audit Committee also reviews the matters required to be included in the Directors' Responsibility Statement, to be included in the Board's report in terms of section 134(3)(c) of

the Companies Act, 2013; Changes, if any, in accounting policies and practices and reasons for the same; Major accounting entries involving estimates based on the exercise of judgement by management; Adjustments, if any, made in the financial statements arising out of audit findings; Statement of uses / application of funds raised to ensure that the funds are utilized for purposes stated in the offer document;

It also reviews the compliances with listing and other legal requirements relating to financial statements; Disclosure of any related party transactions; Opinion(s) in the draft audit report, if any; Scrutiny of inter-corporate loans and investments; Valuation of undertakings or assets of the Company wherever it is necessary; Evaluation of Internal Financial Controls and Risk Management systems; Reviewing, with the management, performance of Statutory and Internal auditors, adequacy of the Internal Control Systems; Reviewing the adequacy of Internal Audit function; Discussion with the Internal Auditors of any significant findings and follow up thereon; Review the functioning of the Whistle Blower Mechanism; Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition of the Audit Committee and other details:

During the year the Audit Committee met 7 times - on April 24, 2017, July 21, 2017, October 23, 2017, October 24, 2017, December 06, 2017, January 22, 2018 and January 23, 2018. The maximum interval between two meetings did not exceed 120 days as prescribed under Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The particulars of members of the Committee, number of meetings attended/held during the tenure of a particular director, attendance of the members at the meetings and the sitting fee paid are mentioned hereunder:

Composition of the Audit Committee and other details:

Members	Number of meetings attended/held during the tenure of the member	Sitting Fee Paid (₹)
Shri G Naganathan, FCA, Chairman (Independent)	7/7	70,000
Shri S A Kadur, Member (Promoter)	6/7	60,000*
Shri T V Rao, Member (Independent)	7/7	70,000
Smt Bharati Rao, Member (Independent) w.e.f October 25, 2017	3/3	30,000

*Sitting fee paid to Canara Bank

Shri G Naganathan, FCA, the Chairman of the Committee was present at the 30th Annual General Meeting of the Company and answered shareholder's queries.

The Company Secretary is the Secretary to the Audit Committee.

NOMINATION, REMUNERATION & HR COMMITTEE (NRC)

Brief description of terms of reference:

The Nomination, Remuneration & HR Committee constituted by the Board comprise four Non-Executive directors, of which three including the Chairman are Independent Directors. The Board has authorised the Committee with clear roles and responsibilities in terms of the provisions of the Companies Act and rules made thereunder and also with those set out in the SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016, as amended from time to time. The Nomination and Remuneration policy of the Company, duly approved by the Board, covers the criteria for determining qualifications, positive attributes and independence of a Director, evaluation of Independent Directors and the Board, authorisation to identify persons who are qualified to become Directors, and who may be appointed in senior management, recommending to the Board their appointment/removal and also the remuneration policy. The NRC also reviews the HR matters.

The NRC reviews the information, declarations and undertakings given by the existing and proposed Director(s) giving additional information in the prescribed format in terms of 'Housing Finance Companies – Corporate Governance (National Housing Bank) Directions, 2016'. The NRC also ensures that the deeds of covenants are signed by the Directors in the format prescribed.

The Nomination and Remuneration Policy of the Company is available on the website of the Company at <http://www.canfinhomes.com/>

Investors/Corporate Governance documents (path). For related link please refer Annexure 9 of Report of Directors.

Nomination policy, among other things, includes:

- i) Laying down the criteria which shall form the basis for enabling the Nomination and Remuneration 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 and Remuneration committee to identify persons who may be appointed in Senior Management of the Company.
- iii) Formulation of criteria for determining qualifications, positive attributes and independence of a Director.
- iv) Evaluation of every Director's performance by NRC.

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 (SMP) 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.

Composition of the Nomination and Remuneration Committee and other details:

Members	Number of meetings attended/ held during the tenure of the member	Sitting Fee Paid (₹)
Smt Bharati Rao, Chairperson (Independent) w.e.f. October 25, 2017	2/2	20,000
Smt P V Bharathi, Member (Promoter)	4/4	40,000*
Shri T V Rao, Member (Independent)	4/4	40,000
Shri G Naganathan, Member (Independent)	4/4	40,000

*Sitting fee paid to Canara Bank

Shri T.V. Rao, Chairman (Independent) upto October 24, 2017

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 of Directors and in the evaluation process, the Directors who are subject to evaluation had not participated.

The Company Secretary is the Secretary to the NRC.

Remuneration of Directors

For the financial year ended March 31, 2018, except for the Managing Director there were no other Executive Directors on the Board of the Company. The Board has appointed Shri Shreekant M Bhandiwad, DGM of Canara Bank as a Whole-time Director w.e.f. April 28, 2018, subject to approval by members at the ensuing Annual General Meeting. The remuneration paid to the Managing Director was as approved by the members at the Annual General Meeting of the Company held in 2017 and the same was as per the Staff Service Regulations of Canara Bank as amended from time to time.

The non-executive directors are eligible to receive only sitting fee for attending the meetings and reimbursement of any out-of-pocket expenses towards Boarding and lodging and transport/conveyance etc. incurred, if any, for attending the meeting (s).

Disclosures with respect to remuneration of Directors (In terms of Schedule V of SEBI (LODR) Regulations, 2015):

- (i) All elements of remuneration package of individual directors are summarised under major groups, such as salary, benefits, bonus, stock options, pension etc. Managing Director: Shri. S.K Hota. The remuneration package for FY18 includes; salary - ₹16,97,135; Incentive - ₹3,14,372; Provident Fund - ₹98,284.
- (ii) Details of fixed component and performance linked incentives, alongwith the performance criteria The performance linked incentive given for FY18 was ₹3,14,372/-. The criteria includes Qualitative and Quantitative parametres. Quantitative: Fresh

approvals, Disbursements, growth in loan book, NHL, Deposits, Gross NPA, PAT, NIM, ROA & ROE. Qualitative: Leadership & brand building, HR, IT & Other initiatives.

- (iii) Service contracts, notice period, severance fee: Not applicable.
- (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.

STAKEHOLDERS' RELATIONSHIP COMMITTEE (SRC)**Brief description of terms of reference:**

The terms of reference of the committee inter alia include review mechanism adopted by the Company for redressing the shareholders complaints and review of the status of complaints of the stakeholders, if any.

This Committee reviews/approves processes, standard operating procedures and initiatives undertaken by the Company relating to investor service, compliances with requirements related to SEBI (LODR) Regulations, 2015 and Corporate Governance, shareholding pattern, periodical transfers/transmissions of shares, de-materialisation and re-materialisation of shares, issue of duplicate certificates of the securities issued by the Company, review of the status of redressal of complaints, if any, lodged with authorities including SEBI, Registrar of Companies, etc. by the stakeholders, for reasons including non-receipt of dividends, Annual Reports etc., steps taken by the Company for settlement of unclaimed dividends, compliance with the applicable provisions of the Companies Act, 2013 and various other statutes.

Composition of the Stakeholders' Relationship Committee and other details:

During the year, the Stakeholders' Relationship Committee met 5 times, viz. April 24, 2017, July 21, 2017, October 23, 2017, December 28, 2017 and January 22, 2018. The particulars of members of the Committee, number of meetings attended/held during the tenure of a particular director, attendance of the members at the meetings and the sitting fee paid are mentioned hereunder:

Composition of the Stakeholders' Relationship Committee and other details:

Members	Number of meetings attended/held during the tenure of the member	Sitting Fee Paid (₹)
Shri T V Rao, Chairman (Independent)	5/5	50,000
Shri S K Hota, Member (Managing Director)	5/5	Nil
Shri G Naganathan, FCA, Member (Independent)	4/5	40,000
Smt Bharati Rao, Member (Independent) (w.e.f. October 25, 2017)	2/2	20,000

The Company Secretary is the Secretary to the Committee. The name and designation of the Compliance Officer is provided in the section 'General Information to shareholders', forming part of this report. The Board informs that there were no complaints pending as at the beginning of the financial year and during the year 5 complaints were received and all the complaints stand resolved as at the end of the financial year ended March 31, 2018 (SEBI SCORES).

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

During the year, the Corporate Social Responsibility (CSR) Committee met 2 times on December 06, 2017 and March 05, 2018. The particulars of members of the Committee, number of meetings attended/held during the tenure of a particular Director, attendance of the members at the meetings and the sitting fee paid are mentioned hereunder:

CSR Committee

Members	Number of meetings attended/held during the tenure of the member	Sitting Fee Paid (₹)
Shri K N Prithviraj, Chairman (Independent)	2/2	20,000
Shri S K Hota, Member (Managing Director)	2/2	Nil
Shri G Naganathan, Member (Independent)	2/2	20,000
Shri Shreekant M Bhandiwad, Member (Dy. Managing Director) (w.e.f. April 28, 2018)	-	-

The Company Secretary is the Secretary to the Committee.

The Company has focused in promoting education including special education and employment by enhancing vocational skills especially among children. The Company also focuses on women empowerment by promoting gender equality, setting up homes and hostels for women and orphans; setting up old age homes, day care centres, providing medical equipment/instruments to Blind Schools and aided hospitals, livelihood enhancement projects for the elderly & the differently abled. Reducing inequalities faced by socially and economically backward groups and contribution to Prime Minister's National Relief Fund also forms part of its CSR activities. The Company, during the year has spent some amount in promoting the green initiative, by planting 300 saplings in Akshaya Nagar, Bengaluru, and also has been distributing saplings to each of our home loan customers.

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 annexed to the Report of Directors, forming part of this Annual Report.

RISK MANAGEMENT COMMITTEE (RMC)

The Risk Management Committee comprise Five members – four Directors and a senior management executive. The Risk Management Policy defines the role and responsibilities of the Committee and delegation of appropriate authority.

The terms of reference to the Committee include overall responsibility to monitor and manage enterprise-wide risk i.e., overall risk in the Company. The Committee shall approve and monitor the overall risk management framework for management of credit risk, market risk, operational risk, asset liability management, compliance risk, etc. The Committee will also review all the policies of the Company and risk profile of the Company at periodical intervals. Thereafter, the same will be recommended to the Board for review/ approval.

The Committee meets at periodical intervals and reviews the key risks associated with the business of the Company, causes and efficacy of the measures taken to mitigate the same and apprises the Board of Directors.

Further, the Audit Committee and the Board of Directors review the key risks associated with the business of the Company, the

procedures are in place to assess the risks and the mitigation mechanisms.

During the year the Risk Management Committee met 3 times - on May 14, 2017, November 18, 2017 and March 05, 2018. The particulars of members of the Committee, number of meetings

attended/held during the tenure of a particular director, attendance of the members at the meetings and the sitting fee paid are mentioned hereunder:

The Company Secretary is the Secretary to the Committee.

Risk Management Committee

Members	Number of meetings attended/held during the tenure of the member	Sitting Fee Paid (₹)
Smt P V Bharathi, Chairperson (Promoter)	3/3	30,000*
Shri T V Rao, Member (Independent)	3/3	30,000
Smt Bharati Rao, Member (Independent)	2/2	20,000
Shri Shreekant M Bhandiwad, Member (Dy. Managing Director)	-	-
Smt Shamila M, Dy. General Manager	3/3	Nil

*Sitting fee paid to Canara Bank

MANAGEMENT COMMITTEE (MC)

The Management Committee of the Board 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.

During the year the Management Committee met on December 28, 2017. The particulars of members of the Committee, number of meetings attended by them/held during their tenure of membership and the sitting fee paid are mentioned hereunder

Management Committee

Members	Number of meetings attended/held during the tenure of the member	Sitting Fee Paid (₹)
Shri S K Hota, Chairman (Managing Director)	1/1	NIL
Shri S A Kadur, Member (Promoter)	1/1	10,000*
Shri T V Rao, Member (Independent)	1/1	10,000
Shri Shreekant M Bhandiwad, Member (DMD)	-	-

*Sitting fee paid to Canara Bank

The Company Secretary is the Secretary to the Management Committee.

The Audit Committee, the Nomination & Remuneration Committee, the Stakeholders' Relationship Committee and Corporate Social Responsibility Committee are chaired by Independent Directors.

The Independent Directors are not paid any fee/remuneration apart from the sitting fee paid 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.

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, 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, borrow by way of Commercial

Papers, Non-convertible Debentures, term loans, etc. Further 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). During the year, the Company has registered itself with the Insurance Regulatory & Development Board of India w.e.f. December 01, 2017 and has 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 ₹3,000 Crore (Rupees Three Thousand Crore) only, by way of special resolution at the 28th Annual General Meeting of the Company held on July 08, 2015. As on March 31, 2018 the overall related party transactions of the Company outstanding with Canara Bank and/or its subsidiaries was ₹2772.06 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. 32 at page No. 146 of the Annual Report) and the particulars of such contracts/ arrangements are provided as an annexure to this Report of Directors. This is also in compliance of the HFCs Corporate Governance (NHB) Directions, 2016.

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 [http://www.canfinhomes.com/Investors/corporate_governance_documents\(path\)](http://www.canfinhomes.com/Investors/corporate_governance_documents(path)). and also placed as Annexure to Report of Directors.

(b) Details of non-compliance by listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) of the Board or any statutory authority, on any matter related to capital markets, during the last three years;

- (i) During the FY15-16, the BSE Limited had imposed a fine of ₹28,000/- and service tax thereon for the alleged delay in submission of the report of Corporate Governance for the quarter ended December 31, 2015 online.
- (ii) During 2017-18, the Company has complied with requirements as per Para 29 of the Housing Finance Companies (NHB) Directions 2010 except for one instance detailed below, National Housing Bank (NHB) in its regulatory Audit conducted during the financial year FY 2016-17, for FY 2014-15 and FY 2015-16, had raised an issue on the procedure followed by the Company since inception, on valuation of Government Securities under HTM category invested for SLR purpose. NHB vide its letter NHB(ND)/DRS/SUP/9349/2017 dated 19/09/2017 has imposed an aggregate penalty of ₹28,62,708/- under the Provisions of Section 29 of the National Housing Bank Act, 1987 and the same is paid.

Other than the fine amounts mentioned above, no penalties or strictures have been imposed on the Company by any stock exchange, SEBI or any other statutory authority on any matter relating to the capital markets.

(c) Details of establishment of vigil mechanism/ whistle blower policy

The Company has established 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 Chairman 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 [http://www.canfinhomes.com/Investors/corporate governance documents \(path\)](http://www.canfinhomes.com/Investors/corporate%20governance%20documents).

(d) Details of compliance with mandatory requirements and adoption of the non-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(2) of the Listing Regulations.

(e) This Corporate Governance Report of the Company for the FY17-18 or as on March 31, 2018 are in compliance with the requirements of Corporate Governance of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(f) 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 Chairman of the Company is Non- Executive Chairman;
- (ii) Shareholder Rights: Half-yearly and other quarterly financial statements are published in newspapers, uploaded on Company's website <http://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 the exercise of the rights of the shareholders.
- (iii) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. There were no qualifications on financial statements by the Auditors.
- (iv) Separate posts of Chairperson and CEO: Shri K N Prithviraj is the Non- Executive Chairperson of the Company on the Board; and Shri S K Hota is the Managing Director and Chief Executive Officer of the Company.
- (v) 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 Chairman of the Audit Committee under the Whistle Blower Policy of the Company, which is made available on the website at [http://www.canfinhomes.com/Investors/corporate governance documents \(path\)](http://www.canfinhomes.com/Investors/corporategovernance%20documents)

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 Limited. The updated Code incorporates the duties of Independent Directors. The Codes are available on the website of the Company at [http://www.canfinhomes.com/Investors/corporate governance documents \(path\)](http://www.canfinhomes.com/Investors/corporate%20governance%20documents).

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 during the FY18. The said declaration has been made as an annexure to the Report of Directors forming part of this Annual Report.

CEO AND CFO CERTIFICATION

In terms of Regulation 17(8) and Part B of Schedule II of SEBI (Listing Obligations and Disclosure requirements) Regulations, 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 28, 2018 convened for approval of the audited financial results of the Company for the year under review and the same is annexed to the financial statements forming part of this Annual Report.

DISCLOSURES WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT;

The details of shares in the Demat Suspense Account or unclaimed suspense account, as applicable are given below:

- (a) There were 2605 numbers of shares of ₹2/- each (521 numbers of shares of ₹10/- each) pertaining to 8 numbers of shareholders outstanding/lying in the suspense account at the beginning of the year;
- (b) Out of 8 shareholders, 1 number of shareholder/(s) approached the Company during the year claiming transfer of 330 shares (66 shares of ₹10/- each) to his demat account;
- (c) 330 shares pertaining to 1 number of shareholder/(s) were transferred to his account as per his claim, during the year;
- (d) 2275 shares of shares of ₹2/- each pertaining to 7 number of shareholders remain outstanding/lying in the suspense account at the end of the year; That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.

COMPLIANCE WITH ACCOUNTING STANDARDS

The Company has complied with the applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006, and Companies (Accounting Standards) Amendment Rules, 2016. The financial statements for the year have been prepared in accordance with Schedule III of Companies Act, 2013, as applicable.

REMUNERATION OF NON- EXECUTIVE DIRECTORS

The Non-Executive Directors of the Company are paid only the sitting fee (₹10,000 for Committees and ₹20,000 for Board) for attending the meetings of the Board or Committees and no other remuneration is being paid to them.

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.

SHAREHOLDING OF NON- EXECUTIVE DIRECTORS

None of the Non-Executive Directors of the Company hold any equity shares of the Company.

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.

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.

SUBSIDIARIES

The Company has no subsidiaries and as such the requirement of certain compliances relating to subsidiaries, as prescribed, are not applicable.

REPORT ON CORPORATE GOVERNANCE

The Company has complied with the mandatory requirements as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015. The quarterly compliance reports on corporate governance 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.

COMPLIANCE

Compliance with mandatory requirements:

The Company has complied with the mandatory requirements as stipulated under Regulation 17 to 27 and Regulation 46 of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015.

Shri S. Viswanathan, FCS, Practising Company Secretary has conducted Secretarial Audit and his Audit Report is annexed to the Report of Directors and will be submitted to the Stock Exchanges and the Ministry of Corporate Affairs along with the Annual Report.

The Company has maintained a functional website viz., <http://www.canfinhomes.com/> which contains the basic information

about the Company. Further the Company has disseminated all the information as required under Regulation 46(2) of the SEBI (LODR) Regulations, 2015 and the Company has been complying with the requirements under regulation 46(3) of the said regulations.

Compliance with non-mandatory requirements:

The Company has been maintaining the un-qualified quarterly/ half-yearly/ annual un-audited/audited financial statements of the Company. As regards the other non-mandatory requirements, the Board has taken cognisance of the same and may consider adopting them as and when deemed appropriate.

Going Concern:

The Board is satisfied that the Company has adequate resources to continue its business for the foreseeable future and consequently considers it appropriate to adopt the going concern basis in preparing its financial statements.

For and on behalf of the Board of Directors

Place: Bengaluru
Date : June 02, 2018

Sd/-
K N Prithviraj
Chairman

GENERAL INFORMATION TO SHAREHOLDERS

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'.

BOARD MEETINGS AND COMMITTEE MEETINGS

The particulars of Board Meetings and Committee Meetings held during the year are mentioned in the Report of Directors on Corporate Governance.

ANNUAL GENERAL MEETINGS (AGMs)

The particulars of annual general meetings held during the last 3 years are as follows:

Year	Time	Day	Date	Venue
2015	11.00 A.M	Wednesday	July 08, 2015	J.S.S. Shivarathreeswara Centre Auditorium 1st Main, 8th Block, Jayanagar, Bengaluru 560082
2016	11.00 A.M	Wednesday	July 20, 2016	Same as above
2017	11.00 A.M	Wednesday	June 28, 2017	Same as above

SPECIAL RESOLUTIONS PASSED AT THE PREVIOUS 3 ANNUAL GENERAL MEETINGS:

2015	- Increasing the borrowing powers of the Board of Directors of the Company from ₹12,000 Crore to ₹14,000 Crore. - Authorisation to the Board of Directors to mortgage, create charge on all or any of the assets of the Company and further issue covenants for negative pledges/lien etc. - Offer or invitation for subscription for Non-Convertible Debentures (NCD) aggregating to ₹2,500 Crore on private placement. - Approval for Related Party Transactions - Approval for "CFHL Employees Stock Option Scheme 2015"
2016	- Increasing the borrowing powers of the Board of Directors of the Company from ₹14,000 Crore to ₹16,000 Crore. - Offer or invitation for subscription for Non-Convertible Debentures (NCD) aggregating to ₹3,000 Crore on private placement
2017	- Re-appointment of Shri Thallapaka Venkateswara Rao (T V Rao), Independent Director - Re-appointment of Shri Kokkarne Natarajan Prithviraj (K N Prithviraj), Independent Director - Increasing the borrowing powers of the Board of Directors of the Company from ₹16,000 Crore to ₹20,000 Crore - Offer or invitation for subscription for Non-Convertible Debentures (NCD) aggregating to ₹6,000 Crore on private placement

2017 Special resolution through Postal Ballot (Notice dated June 23, 2017):

Pursuant to Section 110 of the Companies Act, 2013 read with Rule 20 and 22 of the Companies (Management and Administration) Rules, 2014 and other applicable provisions of the Act and Reg.44 of SEBI (LODR) Regulations, 2015 (including any statutory modification or re-enactment thereof for the time being in force) the Postal Ballot Notice was sent to the members of Can Fin Homes Limited to transact the following special business(es) by passing resolutions inter-alia the following special resolutions through Postal Ballot or Electronic voting (e-voting).

1. Alteration in Objects Clause of the Memorandum of Association
2. Alteration in Liability Clause of the Memorandum of Association
3. Adoption of new set of Articles of Association of the Company
4. Alteration in Capital Clause of the Memorandum of Association of the Company

Voting period had commenced on and from July 24, 2017 (Monday) and ended on August 22, 2017 (Tuesday). E-voting facility was also provided to the members. Shri K N Nagesha Rao, FCS, Practicing Company Secretary, FCS No.3000, CP No. 12861, was appointed as the Scrutinizer for conducting the postal ballot voting process in a fair and transparent manner.

The Company had complied with all the procedural aspects applicable for postal ballot as per the provisions of law cited above and such other applicable provisions.

The Scrutinizer carried out the Scrutiny of all Postal Ballot forms and electronic votes received upto the last date of receipt i.e., August 22, 2017 till 6 P.M and submitted his report dated August 24, 2017. The result of Postal Ballot is as under:

Item no. of the Notice	Particulars of the Resolutions	Type of Resolution	Consolidated (e-Voting and voting through Postal Ballot forms)					
			No. of votes polled	No. of votes in favour	No. of votes against	% of votes in favour	% of votes against	Whether resolution was passed or rejected
1.	Alteration in objects clause of the Memorandum of Association	Special	13,002,053	13,000,456	1,597	99.99	0.01	Passed as Special Resolution
2.	Alteration in Liability clause of the Memorandum of Association	Special	13,001,640	12,999,929	1,711	99.99	0.01	Passed as Special Resolution
3.	Adoption of new set of Articles of Association of the Company	Special	13,000,487	12,897,304	1,03,183	99.21	0.79	Passed as Special Resolution
4.	Sub-division of equity shares of the Company	Ordinary	12,993,631	12,988,776	4,855	99.96	0.04	Passed as Ordinary Resolution
5.	Alteration of capital clause of the Memorandum of Association	Special	13,001,811	12,999,798	2,013	99.98	0.02	Passed as Special Resolution

31ST ANNUAL GENERAL MEETING (AGM)**(a) Date :** July 18, 2018 - Wednesday**Time :** 11 A.M.**Venue :** NIMHANS Convention Centre, Opp. Lakkasandra Bus Stop, Hosur Road, Bengaluru, Kamataka, 560029

Bus Route Nos. from Kempegawda station/Majestic to NIMHANS: Frequent buses - 171, 340A, 342F, 356, 356M, 360B, 365, 365D, 365J, 369D, KBS3A, KBS3C, KBS3E, V356C, V356N, V360B & V365 (Route MAP is made available in the Notice of the AGM).

(b) Financial year is from April 01, 2018 to March 31, 2019

Calendar 2018-19: The probable schedule for holding meetings of the Audit Committee/Board of Directors is as under:

Table-3	Purpose	Probable date
Nature of meeting		
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending June 30, 2018	During Second/Third week of July, 2018
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending September 30, 2018.	During Second/Third week of October, 2018
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending December 31, 2018.	During Second/Third week of January, 2019
Audit Committee/ Board Meeting	To review, approve and take on record the financial results (Audited) for the quarter and the financial year ending March 31, 2019.	During Second/Third week of April, 2019

DATE OF BOOK CLOSURE:

June 15, 2018 Friday to June 20, 2018 Wednesday (both days inclusive)

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, 2018, subject to approval of the shareholders at the ensuing annual general meeting and if declared, will be paid within 7 days.

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 June 14, 2018.
- (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 June 14, 2018.

LISTING OF EQUITY SHARES

BSE Limited

P J Towers, Dalal Street, Mumbai 400001.

National Stock Exchange of India Ltd.

"Exchange Plaza", Bandra-Kurla complex, Bandra(E), Mumbai 400051.

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 6th Floor, Apeejay House, 3, Dinshaw Wachha Road, Churchgate, Mumbai, 400020 Tel : 022-43025555, Fax : 022-43025500
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LISTING FEE

The listing fees for the year 2017-18 and 2018-19 have been paid to the above Stock Exchanges where the securities of the Company are listed. The Annual Custodial Fees for 2018-19 has been paid within the due date to CDSL and that of NSDL will be settled with in the prescribed due date (August 24, 2018).

During the year, the equity shares of face value of ₹10/- each were sub-divided into equity shares of face value of ₹2/- each as per the amended Memorandum of Association, w.e.f. October 13, 2017.

STOCK CODE

The Scrip Name and Scrip Code at the stock exchanges viz., BSE Limited, Mumbai and National Stock Exchange of India Ltd, Mumbai, are as under:

By Name: CANFINHOME

By Scrip Code: 511196

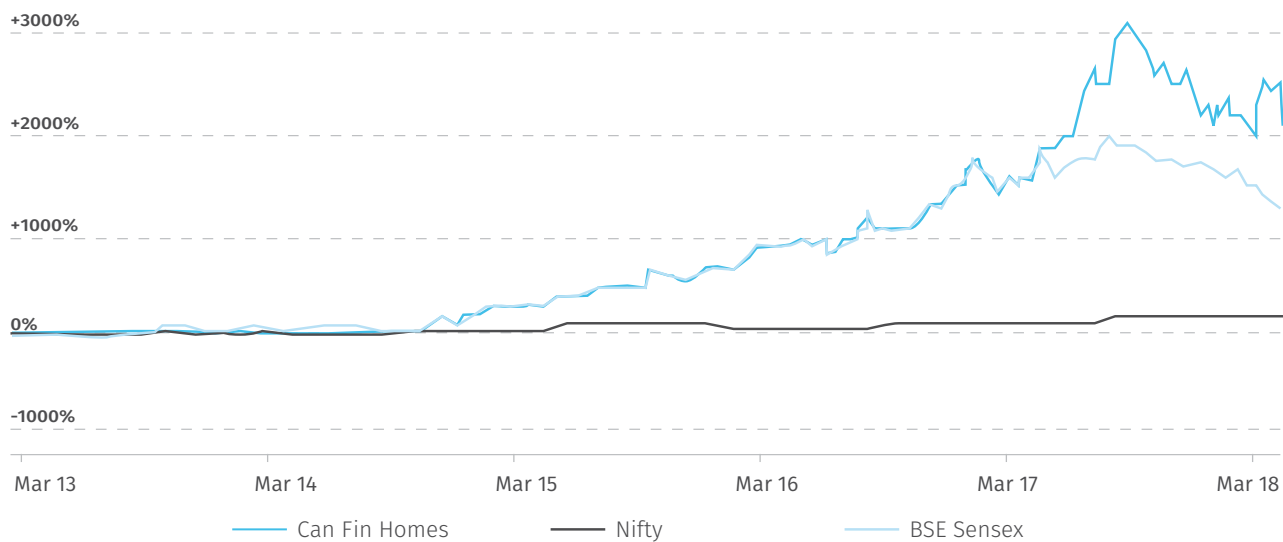
The ISIN allotted to the Equity Shares of the Company is: INE477A01020. National Stock Exchange has added the shares of our Company to the Futures and Options segment w.e.f April 28, 2017.

MARKET PRICE DATA – HIGH/LOW DURING EACH MONTH IN THE LAST FINANCIAL YEAR

(Equity Shares of the face value of ₹10/- each were sub-divided w.e.f. October 13, 2017 into equity shares of ₹2/- each):

Month and Year	National Stock Exchange of India Ltd. (NSE), Mumbai (₹)		Bombay Stock Exchange Ltd.(BSE), Mumbai (₹)	
	High	Low	High	Low
April, 2017	2668.00	2103.60	2,669.55	2,112.00
May, 2017	2899.95	2445.20	2,897.00	2,447.00
June, 2017	3330.00	2678.75	3,333.00	2,712.00
July, 2017	3283.60	3010.10	3,325.00	3,031.20
August, 2017	3129.00	2672.00	3,122.00	2,673.75
September, 2017	2949.45	2540.90	2,946.45	2,545.40
October, 2017	564.70	478.00	565.70	480.60
November, 2017	495.00	430.85	495.00	430.85
December, 2017	512.45	450.00	512.80	450.00
January, 2018	505.45	437.45	505.00	438.10
February, 2018	545.00	402.50	544.90	403.90
March, 2018	557.50	479.00	557.35	480.80

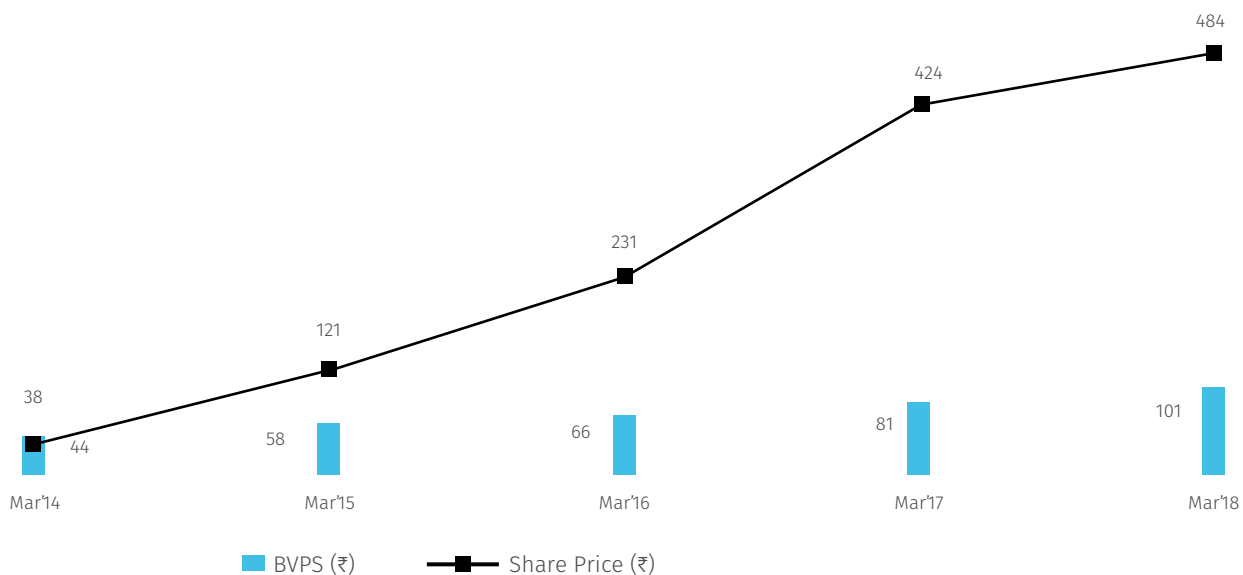
PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX, CRISIL INDEX & NSE NIFTY - 2013-2018



STOCK PRICE AND BOOK VALUE – YEAR TO YEAR – 2014-2018

Book Value per share as on March 31, 2018 = ₹101/- per equity share of face value of ₹2/- per share.

Market Value per share as on March 31, 2018 (High) = ₹507 (NSE), ₹505 (BSE)



Source: BSE

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: canbankrta@ccsl.co.in

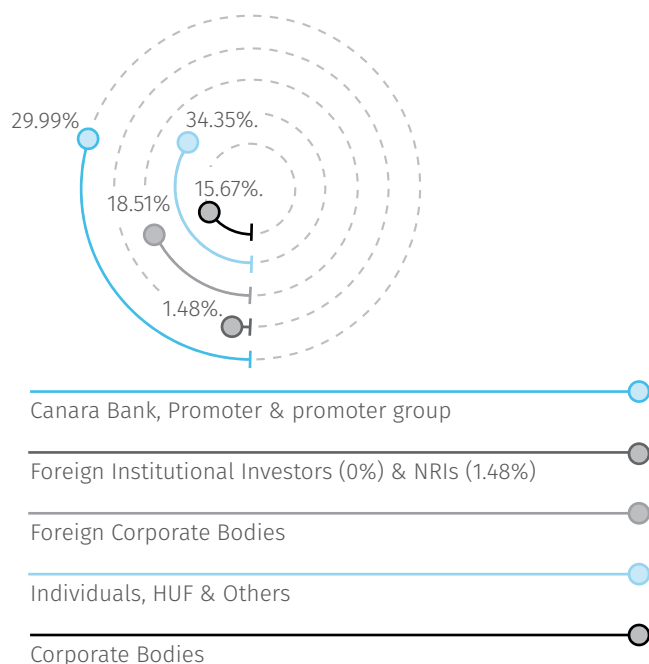
SHARE TRANSFER SYSTEM

The powers to consider and approve share transfers/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.

DISTRIBUTION OF SHAREHOLDING AS OF MARCH 31, 2018

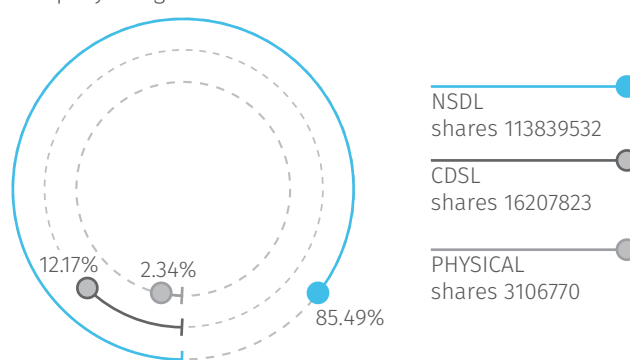
Amount (₹)	Members		Shares	
	Number	%	Amount (₹)	%
Upto - 5000	76051	98.73	49577762	18.62
5001 - 10000	493	0.64	6990378	2.62
10001 - 20000	233	0.30	6592124	2.48
20001 - 30000	72	0.09	3482330	1.31
30001 - 40000	43	0.06	2939178	1.10
40001 - 50000	22	0.03	2005612	0.75
50001 - 100000	56	0.07	8251426	3.10
100001 and above	63	0.08	186469440	70.02
Total	77033	100.00	266308250	100

SHAREHOLDING PATTERN AS ON MARCH 31, 2018



DEMATERIALISATION OF SHARES AND LIQUIDITY

The equity shares of the Company are in the list of scripts specified by SEBI to be compulsorily traded in the electronic form. About 97.66% of paid up capital is held in dematerialised form and the remaining 2.34% 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.



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 Board Secretariat Dept., Can Fin Homes Ltd., Registered Office, 29/1, Sir M N Krishna Rao Road, Basavanagudi, Bengaluru – 560004. (Tel: 080 26564259; Fax: 080 26565746);

E-mail: investor.relationship@canfinhomes.com

MEANS OF COMMUNICATION TO THE SHAREHOLDERS

The Company has about 77,033 shareholders all over India as on March 31, 2018 as against 41,012 as on March 31, 2017.

The means of communication to the shareholders includes;

- (a) Quarterly Results - The Company, immediately after conclusion of the meetings of the Board of Directors, within the prescribed time, 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 <http://www.canfinhomes.com/>.

The Company also publishes the abridged version of audited/ unaudited 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 where in results normally published - The Company normally publishes the abridged version of audited/ unaudited financial results in leading newspapers in English viz., Business Line and/or Business Standard and/or Financial Express and in the Regional Language i.e., Kannada in the newspapers viz., Kannada Prabha and/or Samyuktha Karnataka.
- (c) Any website, where displayed- 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 <http://www.canfinhomes.com/> and the Company also uploads all such documents online on <http://www.connect2nse.com/listing/> and on <http://www.listing.bseindia.com/> for dissemination by National Stock Exchange of India Limited and BSE Limited.
- (d) Official News releases - Dissemination of information through television/press: The Managing Director provides

brief information on quarterly/annual results, corporate actions like rights issue etc. on T.V. 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 interacts with the analysts/investors and provides clarifications on the issues covered in the presentation, which is made available on the Company's official website within the permissible disclosure norms. The Managing Director and the Chief Financial Officer participate in the Conference calls arranged by reputed Institutional Investors.

Investors' page on the website of the Company - The 'Investor Page' (<http://www.canfinhomes.com/canfinhomes.php?page=investors>) provides quarterly results and presentation made by the Company covering pictorial representation of the statistical data compared for the last 10 quarters and annual performance compared for 8 financial years. 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, dematerialisation 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 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 exchange 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.

- (f) Annual Report - The Annual Report encompasses the operational and financial highlights for last 5 years, profit, business position of over 5 years horizon, Report of Directors, Report of the Directors on Corporate Governance, Management Discussion and Analysis report 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 the date, time and venue of the annual general meeting, shareholding pattern, distribution of shareholding, voting rights and the monthly high and low market price of equity shares during the year and other information as required under the listing agreement(s) and other related matters.

- (g) Stock Exchanges – The Company uploads/discloses all material information about the Company, including shareholding pattern, report on corporate governance, reconciliation of share capital audit, status of investor's complaints, certificates from RTA, Debentures Trustees and intimations/disclosure of material events 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.
- (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) Other information: The details relating to the director(s) proposed to be 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, who are holding shares in physical form. The above documents would also be available on the website of the Company www.canfinhomes.com for download by the shareholders.

The Annual Report of the Company for the financial year 2017-18 will be e-mailed to the members as stated above. 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. The annual reports to all other members, who have not registered their email addresses, will be sent to their registered address.

UNCLAIMED DIVIDEND

Pursuant to the provisions of under Sections 124 and 125 of the Companies Act, 2013, any money transferred to the unpaid Dividend Account of the Company, which remains unpaid for a period of 7 years, shall be transferred to IEPF.

In terms of the said provisions, the due date for transfer of unclaimed dividend amount to IEPF is as under:

Dividend-relevant years	Dividend Per Share (Face value of ₹10) (₹)	Balance in unpaid dividend account as on March 31, 2018 (₹)	Unclaimed dividend as a % of total amount of dividend declared	Declared at the AGM held on	Due date for transfer to the Investor Education and Protection Fund (IEPF)*
2010-11	2.50	864715.00	1.68	24.08.2011	24.08.2018
2011-12	3.00	1060251.00	1.72	08.08.2012	08.08.2019
2012-13	4.00	1573784.00	1.92	07.08.2013	07.08.2020
2013-14	6.50	2327474.50	1.75	31.07.2014	31.07.2021
2014-15	7.00	2467248.00	1.32	08.07.2015	08.07.2022
2015-16	10.00	3427800.00	1.29	20.07.2016	20.07.2023
2016-17	10.00	3551000.00	1.33	28.06.2017	28.06.2024

PS.: Members of the Company can claim the unpaid 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 the payment of money claimed.

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 (notified on September 05, 2016) and the related Amended rules, 2017 (notified on October 16, 2017) 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, reminders dated September 24, 2016, December 02, 2016 and April 13, 2017 were sent by the Company to about 400 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. Finally, within the prescribed due date the Company has transferred 248050 Nos. of equity shares pertaining to 364 shareholders were transferred by the Company to IEPF. Your Company has provided the IEPF Rules, the paper notifications issued and a list of the 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).

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 revalidation.

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.

In terms of the said circular, the Company has been making remittances, if any, to members through bank account details as sought from NSDL/ CDSL (demat accounts) and to the account particulars furnished to the Company/RTA by the physical holders. Only in cases where either bank details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code) etc. are not available or electronic payment instructions have failed or have been rejected by the bank, the Company has sent letters to shareholders requesting for modification of Bank account particulars with our RTA/ Depository Participant Accounts. Where the details are not provided, then dividend payments are made to the investors using physical instruments.

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.

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 safekeeping and save cost at the time of dematerialisation. The above would be subject to verification of the signature(s) of the concerned shareholders.

SHAREHOLDING PATTERN OF THE COMPANY AS OF MARCH 31, 2018

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 demat 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/UTI	21	3992414	3.00	3991414	2.99
3	Financial Institutions/Banks	4	110886	0.08	110886	0.08
4	Foreign Institutional Investors	0	0	0.00	0.00	0.00
5	Bodies Corporate	1171	20861970	15.67	20816970	15.63
6	Individuals	72284	39576214	29.72	36545829	27.45
7	Trust	6	13256	0.01	13256	0.01
8	Director & their relatives	0	0	0.00	0.00	0.00
9	Non Resident Indians	2304	1968307	1.48	1958307	1.47
10	Clearing members	139	794138	0.60	794138	0.60
11	Hindu Undivided Families	1022	982140	0.74	982140	0.74
12	Employee shareholders	18	25685	0.02	7300	0.0054
13	Limited Liability Partnership/ Qualified Foreign Investor	0.00	0.00	0.00	0.00	0
14	Foreign Financial Institution	1	2000	0.00	0	0.00
15	Foreign Corporate Bodies	61	24648700	18.51	24648700	18.51
16	Foreign Nationals	0	0	0.00	0	0.00
17	IEPF Authority	1	248050	0.19	248050	0.19
Grand Total		77033	133154125	100	130047355	97.66

SHAREHOLDERS HOLDING MORE THAN 1% OF THE SHARES

Sl. No	Name of the shareholder	No. of shares	%
1	Canara Bank	39930365	29.99
2	Caladium Investment PTE Ltd	17904245	13.45
3	Chattisgarh Investments limited	12873055	9.67
4	Sarda Energy & Minerals Limited	1500000	1.13

COMPLIANCE OFFICER:**Smt. Veena G Kamath**

Company Secretary

Can Fin Homes Ltd.,

Registered Office: No.29/1, I Floor

Sir M N Krishna Rao Road, Basavanagudi, Bengaluru 560004.

Phone: 080-26564259/ 41261144; Fax:080-26565746

e-mail: investor.relationship@canfinhomes.com

compsec@canfinhomes.com

INDEPENDENT AUDITORS' REPORT

To,
The Members,
Can Fin Homes Limited

REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of M/s Can Fin Homes Limited ("The Company") which comprise the Balance Sheet as at March 31, 2018, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information [in which are incorporated the returns of for the year ended on that date audited by the branch auditors of the Company's 132 branches].

MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

This responsibility also includes the 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 the frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial control, 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.

AUDITOR'S RESPONSIBILITY

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

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.

OPINION

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the company as at March 31, 2018 and its profit and its cash flow for the year ended on that date.

OTHER MATTER

We did not audit the financial statements of 132 branches included in the financial statements of the Company whose financial statements reflect total assets of Rs.10,176.92 crore as at March 31, 2018 and total revenues of Rs.956.69 crore 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 132 branch offices audited under section 143 by a person other than the company's principal auditor has been forwarded to us as required by sub-section (8) of section 143 and have been dealt with in preparing our report in the manner considered necessary by us;
 - d) The Balance Sheet, Profit and Loss Statement, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - e) In our opinion, the aforesaid financial statements comply with the Accounting Standards 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 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, 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 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:
 - i. The Company has pending litigations disclosed as contingent liabilities in Note 26 to the financial statements, the impact if any on the final settlement of the litigations is not ascertainable at this stage.
 - ii. 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
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company except as disclosed in Note 9.2 to the financial statements.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M.No.23862

Place: Bangalore
Date : 28/04/2018

ANNEXURE A TO THE 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 Can Fin Homes Limited for the year ended March 31, 2018

- (i) (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 152 branches including the Centralised Processing Centre and the Head Office have been physically verified by the persons in-charge as at the year-end except in the case of seven branches as reported by branch statutory auditors and no major discrepancies were noticed. 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 Company is a service Company, primarily rendering housing finance services. Accordingly, it does not hold any inventory of goods. Thus, Para 3(ii) of the Order is not applicable.
- (iii) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (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) The provisions of sections 73 to 76 of the Companies Act, 2013 are not applicable to a nonbanking financial company. The Company has however complied with the provisions of the Housing Finance Companies (NHB) Directions, 2010 with regard to the deposits accepted from public and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder to the extent applicable. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company except as disclosed in Note 9.2 to the financial statements.
- (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) (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, service tax, duty of customs, duty of excise, value added 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 disputed amounts of tax/ duty have not been deposited with appropriate authorities as at March 31, 2018

Statute	Nature of dues	Amount (Rs)	Period to which the amount relates	Forum to which amount is pending
Income Tax Act, 1961	Income Tax	3,55,200	AY 2003-2004	Commissioner Income Tax Appeals
Income Tax Act, 1961	Income Tax	15,61,002	AY 2004-2005	Deputy Commissioner Income Tax
Income Tax Act, 1961	Income Tax	5,68,55,315	AY 2006-2007	High Court of Karnataka
Income Tax Act, 1961	Income Tax	4,46,27,242	AY 2007-2008	High Court of Karnataka
	Dividend Distribution Tax-u/s 115-O	16,43,798	AY 2011-2012	The Company has determined the probable liability of ₹1,97,812/- and made a request for adjustment of the said amount against the refund due. Revised orders awaited from the Department

- (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 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 45IA of the Reserve Bank of India Act, 1934.

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No.23862

Place: Bangalore
Date : 28/04/2018

ANNEXURE B TO THE 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 March 31, 2018 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 judgement, 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 March 31, 2018, 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 132 branches is based on the corresponding auditors' reports of the auditors of such branches.

Place: Bangalore
Date : 28/04/2018

For **VARMA & VARMA**
Chartered Accountants
FRN 004532S

R Kesavadas
Partner
M. No.23862

BALANCE SHEET

As at March 31, 2018

₹ in Lakh

Particulars	Note	As at March 31, 2018	As at March 31, 2017
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	2	2,663.31	2,662.25
(b) Reserves and Surplus	3	131,986.37	104,967.64
		134,649.69	107,629.89
(2) Share Application Money pending Allotment	4	-	47.62
(3) Non-Current Liabilities			
(a) Long Term Borrowings	5	872,125.34	802,824.86
(b) Deferred Tax Liabilities (Net)	13	14,124.16	11,364.63
(c) Long Term Provisions	6	11,910.42	10,949.80
		898,159.92	825,139.29
(4) Current Liabilities			
(a) Short Term Borrowings	7	324,535.17	308,115.01
(b) Trade payables	8		
Total outstanding dues of micro and small enterprises		-	-
Total outstanding dues of creditors other than micro and small enterprises		869.61	232.67
(c) Other Current Liabilities	9	220,968.66	94,781.92
(d) Short Term Provisions	10	1,514.26	1,905.65
		547,887.69	405,035.26
Total		1,580,697.29	1,337,852.06
II ASSETS			
(1) Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	11	957.00	1,016.97
(b) Non-Current Investments	12	1,593.50	1,593.50
(c) Deferred Tax Assets (Net)	13	-	-
(d) Long Term Loans and Advances	14	1,509,509.06	1,292,241.03
(e) Other Non-current Assets	15	920.01	748.23
		1,512,979.57	1,295,599.73
(2) Current Assets			
(a) Cash and Cash Equivalents	16	981.49	1,247.06
(b) Trade Receivables	17	21.05	-
(c) Short Term Loans and Advances	18	71.94	111.96
(d) Other Current Assets	19	66,643.25	40,893.30
		67,717.72	42,252.33
Total		1,580,697.29	1,337,852.06
Significant Accounting Policies	01		

See accompanying notes forming part of the financial statements.

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S**K.N. Prithviraj**
Chairman**S. K. Hota**
Managing Director**G. Naganathan**
Director**R. Kesavadas**
Partner
Membership No: 23862**Bharati Rao**
Director**T.V. Rao**
Director**P.V. Bharathi**
DirectorPlace: Bangalore
Date: April 28, 2018**Atanu Bagchi**
Chief Financial Officer**Veena G. Kamath**
Company Secretary

STATEMENT OF PROFIT AND LOSS

for the year ended March 31, 2018

₹ in Lakh

Particulars	Note	Year ended March 31, 2018	Year ended March 31, 2017
INCOME			
Revenue from Operations	20	154,389.72	135,306.31
Other Income	21	316.48	5.91
Total Revenue		154,706.20	135,312.22
EXPENSES			
Employee benefit Expenses	22	4,416.24	3,935.95
Finance Costs	23	98,077.88	88,402.74
Depreciation and Amortization Expenses	24	308.66	373.22
Other Expenses	25	3,887.85	3,762.25
Total Expenses		106,690.63	96,474.17
Profit Before Tax, Provision and Exceptional Items		48,015.56	38,838.06
Provisions			
Provision for Standard Assets	14.5	210.00	1,065.00
Provision for Doubtful Debts	14.4	2,000.00	815.38
Profit Before Tax and Exceptional Items		45,805.56	36,957.68
Exceptional Items			
Prior Period Adjustments	11	-	(58.85)
Profit Before Tax		45,805.56	37,016.53
Tax expenses:			
(a) Current Tax		13,203.00	11,513.00
(b) Excess Tax provisions of earlier years written back		(334.38)	-
(c) Deferred Tax		2,759.52	1,977.65
Profit for the period		30,177.43	23,525.88
Earnings per Equity Share (face value ₹2/-)			
(1) Basic (in ₹)		22.67	17.68
(2) Diluted (in ₹)		22.67	17.68

See accompanying notes forming part of the financial statements.

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

K.N. Prithviraj
Chairman

S. K. Hota
Managing Director

G. Naganathan
Director

R. Kesavadas
Partner
Membership No: 23862

Bharati Rao
Director

T.V. Rao
Director

P.V. Bharathi
Director

Place: Bangalore
Date: April 28, 2018

Atanu Bagchi
Chief Financial Officer

Veena G. Kamath
Company Secretary

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31 2018

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS	48,015.56	38,838.06
ADJUSTMENTS FOR :		
Depreciation	308.66	373.22
(Profit)/Loss on sale of Assets	(11.77)	3.37
Dividend Income on Mutual Funds	(31.27)	(5.91)
Bad debts written off	-	85.31
Provision no longer required written back	(273.44)	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	48,007.75	39,294.05
ADJUSTMENTS FOR :		
(Increase)/Decrease Trade Receivables	(21.05)	-
Increase/(Decrease) Trade Payables	28.47	-
Increase/(Decrease) Other Current Liabilities	6,627.75	8,053.92
(Increase)/Decrease Long Term and Short Term Loans and Advances	(217,225.00)	(263,523.25)
Increase/(Decrease) Long Term and Short Term Provisions	(292.58)	2,292.47
(Increase)/Decrease Other Non-current and current assets	(25,921.72)	(10,090.11)
	(236,804.13)	(263,266.97)
CASH GENERATED FROM OPERATIONS	(188,796.38)	(223,972.92)
Direct taxes paid	(13,337.90)	(11,615.98)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(202,134.28)	(235,588.90)
NET CASH FROM OPERATING ACTIVITIES 'A'	(202,134.28)	(235,588.90)
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(257.03)	(450.04)
Sale of Fixed Assets	20.11	3.99
Purchase of Mutual Fund Units	(43,031.27)	(14,000.00)
Redemption of Mutual Fund Units	43,031.27	14,000.00
Dividend Income from Mutual Funds	31.27	5.91
Fixed Deposits received/(paid) [Net]	145.67	(249.00)
NET CASH USED IN INVESTING ACTIVITIES 'B'	(59.98)	(689.14)

CASH FLOW STATEMENT

FOR THE YEAR ENDED MARCH 31 2018

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
C CASH FLOW FROM FINANCING ACTIVITIES		
Short term borrowings from banks and Commercial Papers (Net)	(152,893.77)	208,394.53
Deposits taken (Net)	165.10	568.00
Long term borrowings taken	683,812.77	317,792.15
Long term borrowings repaid	(325,804.47)	(287,260.34)
Dividend and Distribution tax paid	(3,205.26)	(3,205.23)
NET CASH USED IN FINANCING ACTIVITIES 'C'	202,074.36	236,289.11
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS 'A+B+C'	(119.90)	11.07
OPENING BALANCE OF CASH AND CASH EQUIVALENTS 'D'	341.29	330.22
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS 'E'	221.39	341.29
OTHER NOTES:		
CASH AND CASH EQUIVALENTS INCLUDE:		
Cash on hand	27.25	43.70
Cheques on hand	43.92	116.00
Balance with Banks:		
- Current Accounts	2.25	57.42
- Dividend Accounts*	147.97	124.18
*Pertains to unclaimed dividend which is earmarked	221.39	341.29

K.N. Prithviraj
Chairman

S. K. Hota
Managing Director

G. Naganathan
Director

Bharati Rao
Director

T.V. Rao
Director

P.V. Bharathi
Director

Atanu Bagchi
Chief Financial Officer

Veena G. Kamath
Company Secretary

We have examined the above Cash Flow Statement of CAN FIN HOMES LTD., BENGALURU for the period ended March 31st, 2018. The Statement has been prepared by the Company in accordance with the requirement of the listing agreements with the respective stock exchanges and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company.

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

R. Kesavadas
Partner
Membership No: 23862

Place: Bangalore
Date: April 28, 2018

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

1 SIGNIFICANT ACCOUNTING POLICIES

i. Basis of Accounting

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (IGAAP) under the historical cost convention on the accrual basis and guidelines issued by the National Housing Bank. IGAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified).

All assets and liabilities have been classified as current or non-current as per CFHL's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of its activities, CFHL has determined its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

ii. Use of Estimates

The preparation of the financial statements in conformity with Indian GAAP requires that the management makes estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of financial statements and the reported amounts of revenue and expenses during the reported period. Although such estimates were on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognized in the period in which the results are ascertained.

iii. Revenue Recognition

a) Interest on Housing/ Non-Housing Loans

Repayment of loans is by way of Equated Monthly Instalments (EMIs) comprising of principal and interest. EMIs commence once the entire loan is disbursed or based on the agreed upon commencement date as specified in the Most Important Terms & Conditions (MITC). Pending commencement of EMIs, Pre-EMI interest is receivable every month. Interest is calculated on annual/ monthly rest basis.

Income is recognised on accrual basis in respect of performing Assets and on receipt basis for non-performing Assets in accordance with the Prudential Norms issued by National Housing Bank for Housing Finance Companies.

Fees and additional interest income on delayed EMI /Pre-EMI are recognized on accrual basis.

b) Income from Processing fees/ Other Charges

Processing fees and other loan related charges are recognised when it is reasonable to expect ultimate collection which is generally at the time of sanction/disbursement of the loan.

c) Insurance commission

Commission on sale of insurance policies are recognised on an accrual basis in accordance with the agreed rates with the customer.

d) Income from Investments

Interest income on Investments are recognized on accrual basis.

iv. Advances & Provision for Standard & Non-Performing Loans

Loans to the extent, the instalments have not become due as at the year-end and suit filed accounts are being shown under loan asset.

All loans and other credit exposures where the instalments are overdue for ninety days and more are classified as NPAs in accordance with the prudential norms prescribed by the National Housing Bank (NHB).

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

The provision on Standard and Non-Performing Loans is made as per the prudential norms prescribed in the Housing Finance Companies (NHB) Directions, 2010 as amended. Additional provisions (over and above the prudential norms) is made as per the Guidelines approved by the Board of Directors from time to time as a measure of abundant caution and prudence and are carried under Provision for Contingencies Account.

v. Property, Plant & Equipment

Fixed Assets are stated at cost of acquisition, or construction inclusive of expenses incidental thereto less accumulated depreciation and impairment loss, if any. Costs includes purchase cost and cost specifically attributable to the acquisition and installation of fixed assets like freight and other costs are capitalised till the assets are ready to be put to use.

vi. Depreciation

Depreciation on tangible assets is provided on the written down value method over the useful lives of assets prescribed in Schedule II of the Companies Act, 2013, except in case of servers, where the useful life is estimated to be 3 years.

vii. Impairment Loss

The Company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the Profit and Loss Statement. If at the Balance Sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciated/amortised historical cost.

viii. Investments

In accordance with the Guidelines issued by National Housing Bank (NHB) and the Accounting Standard (AS -13) – “Accounting for Investments” notified under the relevant provisions of the Act, current investments are carried at lower of cost & fair value and long-term investments are carried at cost. However, provision is made to recognize decline other than temporary in the carrying amount of long-term investments. Unquoted investments in the units of mutual funds in the nature of current investments are valued at the net asset value declared by mutual funds in respect of each particular scheme as per the guidelines issued by the NHB.

ix. Employee Benefits

a) Defined Contribution Plans

Employee Pension & Insurance

The Company's contribution to State Plans namely Employee's Pension Scheme and Employee State Insurance is a defined contribution plan and contribution paid or payable is recognised as an expense in the period in which the employee renders services.

b) Defined Benefit Plans

Gratuity

Gratuity is a post-employment benefit and is a defined benefit plan. The liability recognised in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date less the fair value of plan assets, together with adjustments for unrecognised actuarial gains or losses and past service costs. Independent actuaries using the projected unit credit method calculate the defined benefit obligation annually. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of Profit and Loss in the year in which such gains or losses arises.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Compensated Absences

Liability in respect of compensated absences becoming due or expected to be availed within one year from the Balance Sheet date is recognised on the basis of undiscounted value of estimated amount required to be paid or estimated value of benefit expected to be availed by the employees. Liability in respect of compensated absences becoming due or expected to be availed more than one year after the Balance Sheet date is estimated on the basis of actuarial valuation in a manner similar to gratuity liability and is recognised in the balance sheet net of the fair value of the plan assets.

Provident fund

Liability in respect of contribution to Exempt Provident Fund is estimated on the basis of actuarial valuation in a manner similar to gratuity liability and is recognised in the balance sheet net of the fair value of the plan assets.

Leave Travel Concession

All confirmed employees are entitled to leave travel concession once in two years, the liability in this respect is estimated on the basis of actuarial valuation in a manner similar to gratuity liability and is recognised in the balance sheet.

c) Other short-term benefits

All employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. Expense in respect of other short-term benefits including salaries, short term compensated absences, performance bonus (individual performance)/ ex-gratia is recognised on the basis of amount paid or payable for the period during which the employees render services.

x. Borrowing Expenses

Expenses incurred for issue of Non convertible Debentures & Commercial Papers [CP's] such as ROC fee, Stamp Duty etc., are charged to Profit & Loss Statement in the year of issue. Discount on CPs are amortised to the Statement of Profit & Loss over the tenure of the CP.

xi. Operating Leases

Assets acquired on lease where significant portions of the risks and rewards incidental to the ownership are retained by the lessors are classified as operating leases. Lease rentals are charged to the Statement of Profit and Loss on accrual basis.

xii. Taxation

Tax expense comprises Current and Deferred Taxes. Provision for Current Taxes is measured at amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961 on the basis of estimated taxable income for the current accounting period.

Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. If the company has carried forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably or virtually certain that future taxable income will be available against which such deferred tax assets can be realized.

xiii. Provisions and Contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent Assets are neither recognised nor disclosed in the financial statements.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2 SHARE CAPITAL

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Authorised		
35,00,00,000 Equity Shares of ₹2 each (PY 2016-17: 7,00,00,000 Equity Shares of ₹10 each)	7,000.00	7,000.00
Issued and Subscribed		
13,32,27,875 Equity Shares of ₹2 each (PY 2016-17: 2,66,45,575 Equity Shares of ₹10 each)	2,664.56	2,664.56
Paid Up		
13,31,54,125 Equity shares of ₹2 each (PY 2016-17: 2,66,20,242 Equity shares of ₹10 each)	2,663.08	2,662.02
Add : Forfeited Shares	0.23	0.23
	2,663.31	2,662.25

Reconciliation of Number of shares outstanding at the beginning and at the end of the reporting period is as under.

Particulars	As at March 31, 2018		As at March 31, 2017	
	No (of ₹2 each)	₹ in lakh	No (of ₹10 each)	₹ in lakh
Equity Shares outstanding as at the beginning of the year	133,101,210	2,662.25	26,620,242	2,662.25
Add: Equity shares issued during the year (Refer Note 2.2)	52,915	1.06	-	-
Equity Shares outstanding as at the end of the Year	133,154,125	2,663.31	26,620,242	2,662.25

Details of each shareholder holding more than 5% in the Company

Particulars	As at March 31, 2018		As at March 31, 2017	
	No (of ₹2 each)	% of shares held to total shares	No (of ₹10 each)	% of shares held to total shares
Canara Bank	39,930,365	29.99	7,986,358	30.00
Chhattisgarh Investments Ltd	13,013,105	9.78	2,670,000	10.03
Caladium Investment Pte Ltd	17,904,245	13.45	3,580,849	13.45

2.1 The Company has subdivided the face value of its equity shares from ₹10 each to ₹2 each w.e.f 13/10/17 (Record date). In view of the same, the number of equity shares under Authorised Capital has increased to 35,00,00,000 shares of ₹2 each and the number of shares under Issued & Subscribed Capital has increased to 13,32,27,875 equity shares of ₹2 each. The number of equity shares under Paid up Capital has increased to 13,31,01,210 consequent to sub-division and for the reasons stated in Note no. 2.2 the aggregate number of Paid up Equity shares of the Company as at March 31, 2018 stands at 13,31,54,125 shares of ₹2 each.

2.2 During the financial year 2017-18, 52,915 equity shares of ₹2 each (in lieu of 10,583 equity shares of ₹10 each, which were kept in abeyance during the Rights Issue made by the Company in March 2015) were allotted as per the judgement of Hon'ble High Court of Kerala.

2.3 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

2.4 For the period of five years immediately preceding the FY 2017-18

- (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

3 RESERVES AND SURPLUS

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
Special Reserve (Refer Note 3.1)		
(in terms of Section 36(1)(viii) of Income Tax Act, 1961)		
Opening Balance	37,121.00	30,721.00
Add: Transferred from P&L account (Refer Note 3.2)	8,300.00	6,400.00
	45,421.00	37,121.00
General Reserve		
Opening Balance	24,855.21	19,355.21
Less: Creation of DTL on Special Reserve (Refer Note 3.3)	-	3,700.00
Add: Transferred from P&L account	12,000.00	9,200.00
	36,855.21	24,855.21
Additional Reserve (u/s 29C of The NHB Act)		
Opening Balance	12,500.00	7,700.00
Add: Transferred from P&L account (Refer Note 3.2)	6,100.00	4,800.00
	18,600.00	12,500.00
Security Premium Reserve		
Opening Balance	27,250.97	27,250.97
Add: Received during the year (Refer Note 2.2)	46.57	-
	27,297.54	27,250.97
Profit and Loss Account		
Opening Balance	3,240.46	114.57
Add: Surplus in the statement of Profit and Loss account	30,177.43	23,525.88
	33,417.89	23,640.46
Less: Appropriation for:		
Special Reserve	8,300.00	6,400.00
General Reserve	12,000.00	9,200.00
Additional Reserve (u/s 29C of the NHB Act)	6,100.00	4,800.00
Dividend (Refer Note 3.5 & 3.6)	2,663.08	-
Corporate Dividend Tax thereon	542.18	-
	3,812.63	3,240.46
	131,986.37	104,967.64

3.1 Special Reserve has been created over the years in terms of Income Tax Act 1961, out of the distributable Profits of the Company.

3.2 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 ₹8,300 lakh (previous year ₹6,400 lakh) to Special Reserve which is in terms of Section 36(1)(viii) of the Income Tax Act, 1961 and ₹6,100 lakh (previous year ₹4,800 lakh) to Additional Reserve U/S 29C of the NHB Act, 1987 during the FY 2017-18.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

- 3.3** Vide Circular NHB(ND)/DRS/Pol.62/2014 dated May 27, 2014, the National Housing Bank (NHB) had directed Housing Finance Companies (HFCs) to provide for deferred tax liability in respect of the balance in the "Special Reserve" created under section 36(1)(viii) of the Income Tax Act, 1961 as on March 31, 2014 and permitted to adjust the same from Retained Earnings. Further, vide Circular NHB(ND)/DRS/Pol.65/2014 dated August 22, 2014, NHB has permitted HFCs to adjust the Deferred Tax Liability in a phased manner, over a period of three years in the ratio of 25:25:50 starting from FY 2014-15. Accordingly the Company had to create ₹7399.96 lakh DTL in three years. The Company had transferred the third and final tranche of 50% being ₹3700 lakh in the previous year ending March 31, 2017 from the General Reserves to DTL (₹3700 lakh transferred in the preceding two years).
- 3.4** Further, Deferred Tax Liability (net) of ₹2759.52 lakh (previous year ₹1977.65 lakh) is charged off to the Statement of Profit & Loss, on account of various components of assets & liabilities including Special Reserve appropriated during the current year.
- 3.5** The Company has paid dividend of ₹10/- per share on the equity shares of face value of ₹10/- each pertaining to FY 2016-17, post approval by the members in the 30th AGM held on 28th June, 2017.
- 3.6** 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 AS 4 (Revised)- Contingencies and events occurring after Balance sheet date, proposed dividend and tax thereon are not required to be recognised as a liability in the books of account for the year it pertains to. However it will be recorded as a liability on approval by members.
- 3.7** Presentation of Reserve Fund as per NHB's policy circular reference NHB(ND)/ DRS/ Pol.Circular.61/ 2013-14 dated April 7, 2014 and Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by National Housing bank.

₹ in Lakh

Particulars	Current Year	Previous Year
Reserves & Surplus		
Statutory Reserve (As per section 29C of the National Housing Bank Act, 1987)		
Opening Balance	12,500.00	7,700.00
Additions during the year	6,100.00	4,800.00
Appropriations during the year	-	-
Closing Balance	18,600.00	12,500.00

₹ in Lakh

Particulars	Current Year	Previous Year
Balance at the beginning of the year		
a) Statutory Reserve u/s 29C of the National Housing Bank Act, 1987	12,500.00	7,700.00
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	37,121.00	30,721.00
Total	49,621.00	38,421.00
Addition/ Appropriation / Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	6,100.00	4,800.00
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.	8,300.00	6,400.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh		
Particulars	Current Year	Previous Year
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	18,600.00	12,500.00
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.	45,421.00	37,121.00
Total	64,021.00	49,621.00

4 SHARE APPLICATION MONEY PENDING ALLOTMENT

₹ in Lakh		
Particulars	As at March 31, 2018	As at March 31, 2017
The application money in respect of 52,915 equity shares ₹2 each under the Rights Issue. (Refer Note 2.2)	-	47.62

5 LONG TERM BORROWINGS

₹ in Lakh		
	As at March 31, 2018	As at March 31, 2017
SECURED (Refer Note 5.1)		
National Housing Bank	182,365.69	298,680.84
Term Loans:		
- from Related parties*	199,999.97	99,902.31
- from HDFC Bank	25,714.29	42.11
- from State Bank of India	64,050.00	43,746.56
Secured Redeemable Non Convertible Non-Cumulative Taxable Debentures (Refer Note 5.3)	335,200.00	340,200.00
	807,329.95	782,571.81
*Represents the advances availed from Canara Bank		
UNSECURED		
Unsecured Redeemable Non Convertible Debenture in the nature of Tier II Capital (Refer Note 5.4)	10,000.00	10,000.00
Deposits (Refer Note 5.5 & 15.1)	11,938.26	10,253.05
Term Loan from Federal Bank (ROI@7.95% for 7 yrs tenure)	42,857.14	-
	872,125.34	802,824.86

5.1 The borrowings from National Housing Bank, Canara Bank, HDFC Bank, and State Bank of India 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.

5.2 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 THE FINANCIAL STATEMENTS

5.3 During the year the Company has issued Secured Redeemable Non-Convertible Non-Cumulative Taxable Debentures worth ₹1,40,000 lakh (previous year ₹1,86,200 lakh) through private placement. These debentures are secured by way of floating charge on the assets i.e., loan receivables specifically earmarked for the purpose.

The details of the Secured Redeemable Non Convertible Taxable Debentures as on March 31, 2018 are as follows:

Date of Issue	Date of Redemption	Rate of Interest	₹ In Lakh
18-05-2017	18-05-2022	7.89%	60,000.00
15-11-2016	15-11-2021	7.77%	12,200.00
29-11-2017	26-02-2021	7.64%	20,000.00
17-10-2017	17-01-2021	7.44%	20,000.00
26-07-2017	26-10-2020	7.32%	40,000.00
10-09-2015	10-09-2020	8.69%	10,000.00
27-02-2017	27-05-2020	7.68%	20,000.00
12-01-2017	12-04-2020	7.57%	40,000.00
24-10-2016	24-01-2020	7.73%	44,000.00
16-09-2016	16-12-2019	7.85%	30,000.00
27-05-2016	27-08-2019	8.55%	10,000.00
17-02-2016	17-05-2019	8.85%	16,500.00
07-01-2016	06-04-2019	8.60%	12,500.00
22-12-2015	22-03-2019	8.55%	10,000.00
22-04-2016	22-03-2019	8.37%	30,000.00
24-11-2015	22-02-2019	8.45%	10,000.00
30-10-2015	30-01-2019	8.41%	15,000.00
08-10-2015	08-10-2018	8.44%	10,000.00
07-08-2015	07-08-2018	8.71%	20,000.00
02-07-2015	02-07-2018	8.80%	20,000.00
28-05-2015	28-05-2018	8.70%	10,000.00
28-04-2015	28-04-2018	8.69%	20,000.00
Total			480,200.00

5.4 Further, the Company has issued Unsecured Debentures in the nature of Tier II capital worth ₹10000 lakh 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, 2018, 100% of the book value of the subordinated debt is considered as Tier II Capital for the purpose of Capital Adequacy computation.

The details of the Unsecured Non Convertible Debentures in the nature Tier II capital as on March 31, 2018 are as follows:

Date of Issue	Date of Redemption	Rate of Interest	Amount in Lakh
03-12-2014	03-12-2024	8.94%	10,000.00
Total			10,000.00

5.5 As per the Directions of the National Housing Bank, the Company has created floating charge on Statutory Liquid Assets (Investments in Govt. 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.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

5.6 Maturity Profile of Term Loans

₹ in Lakh

Description	As at March 31, 2018		As at March 31, 2017	
	Term loans from Banks	National Housing Bank (Refinance)	Term loans from Banks	National Housing Bank (Refinance)
Non Current	(Rupee Term loan)	(Refinance)	(Rupee Term loan)	(Refinance)
	(ROI 6.95% to 8.10%)	(ROI 6.46% to 8%)	(ROI 8.00% to 9.65%)	(ROI 6.70% to 8.75%)
Over 1 year to 3 years	76,457.14	64,381.84	70,042.11	100,391.67
Over 3 to 5 years	76,457.14	49,757.99	20,000.00	81,173.37
Over 5 to 7 years	76,457.14	32,193.92	20,000.00	51,877.31
Over 7 years	103,250.00	36,031.93	33,648.86	65,238.49
Total	332,621.43	182,365.69	143,690.97	298,680.84

6 LONG TERM PROVISIONS

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Employee Benefits (Refer Note 30)	947.62	1,020.25
Contingencies (Refer Note 6.1)	900.97	600.00
Standard Asset Provisions (Refer Note 6.1 & 14.5)	6,475.00	6,265.00
Provisions for Doubtful Debts (Refer Note 6.1 & 14.4)	3,586.83	2,791.11
Interest on Income Tax Refund	-	273.44
	11,910.42	10,949.80

6.1 The movement in Provisions for Loan Assets during the year is as under:

Current Year:

₹ in Lakh

Particulars	Standard Assets	NPAs	Prov for Contingencies	Total
Opening Balance (A)	6,265.00	2,791.11	600.00	9,656.11
Charged during the year (B)	210.00	3,488.28	300.97	3,999.25
Reversed during the Year (C)	-	1,108.21	-	1,108.21
Accounts written off (D)	-	1,584.34	-	1,584.34
Amounts recovered from accounts written off (E)	-	380.07	-	380.07
Net charged during the year (F=B-C-E)	210.00	2,000.00	300.97	2,510.97
Closing balance (G= A+F+E-D)	6,475.00	3,586.83	900.97	10,962.80

Previous Year:

₹ in Lakh

Particulars	Standard Assets	NPAs	Prov for Contingencies	Total
Opening Balance (A)	5,200.00	1,975.73	600.00	7,775.73
Charged during the year (B)	1,065.00	1,295.34	-	2,360.34
Reversed during the Year (C)	-	479.96	-	479.96
Net charged during the year (D=B-C)	1,065.00	815.38	-	1,880.38
Closing balance (E=A+D)	6,265.00	2,791.11	600.00	9,656.11

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

7 SHORT TERM BORROWINGS

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
SECURED (Refer Note 5.1)		
Loans & Advances from Related parties (Refer Note 7.1)	29,299.43	39,276.38
UNSECURED		
Overdraft / WCDL Accounts from:		
Related party - Canara Bank	27,505.30	30,003.47
State Bank of India	25,669.49	6,773.31
HDFC Bank Ltd	5.56	0.09
Laxmi Vilas Bank	33,993.82	-
Commercial Paper (Refer Note 7.3)	207,561.56	232,061.75
Deposits with less than 1 year tenure	500.00	-
	324,535.17	308,115.01

7.1 The Overdraft account with related party includes ₹12,929.97 lakh (previous year ₹15,106.07 lakh) being the cheques issued towards disbursements to borrowers and towards expenses but not encashed as on March 31, 2018.

7.2 ROI & tenure of Term Loans

₹ in Lakh

Description	As at March 31, 2018		As at March 31, 2017	
Short Term	ROI %	Facility	ROI %	Facility
Canara Bank	7.90 to 8.30	WCDL / OD	9.35 to 9.65	WCDL / OD
State Bank of India	7.80 to 8.00	WCDL / OD	8.90 to 9.15	WCDL / OD
HDFC Bank Ltd	9.30	OD	-	-
Laxmi Vilas Bank	7.74 to 7.75	WCDL	-	-
Oriental Bank of Commerce	-	-	9.70	OD

7.3 Commercial Paper of the Company have a maturity value of ₹2,15,000.00 lakh (Previous year ₹2,37,000.00 lakh)

Ditails of the Commercial Paper outstanding as on March 31, 2018 are as follows.

S.No.	Value Date	Period in days	Discount Rate	Face value (in Lakh)
1	15-Jun-17	365	7.02%	25,000.00
2	05-Jul-17	365	7.00%	20,000.00
3	20-Jul-17	365	6.805%	40,000.00
4	14-Aug-17	273	6.73%	30,000.00
5	05-Jan-18	360	7.77%	30,000.00
6	09-Jan-18	262	7.67%	20,000.00
7	09-Mar-18	365	7.91%	50,000.00
Total				215,000.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

8 TRADE PAYABLES

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
- Due to Micro & Small Enterprises	-	-
- Due to others	869.61	232.67
	869.61	232.67

8.1 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.

9 OTHER CURRENT LIABILITIES

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
Current maturities of Long term debts (Refer Note 5.1)		
- National Housing Bank - Refinance	25,943.85	38,822.28
- Term Loans from Federal Bank	7,142.86	-
- Term Loans from Canara Bank	-	-
- Term Loans from HDFC Bank Ltd	4,285.71	21.05
- Term Loans from State Bank of India	3,050.00	5,000.00
- Secured Redeemable Non Convertible Debentures	145,000.00	20,000.00
- Deposits from Public	10,391.72	12,411.82
	195,814.14	76,255.15
Statutory Liabilities	271.04	133.68
Unclaimed Deposits (Refer Note 9.2)	881.23	2,009.45
Provision for Expenses	16.78	15.42
Dues to Employees	149.70	220.00
Interest Accrued but not due on Borrowings (Refer Note 9.3)	22,798.93	15,050.65
Unclaimed Dividend	147.97	124.18
Advance Receipts for Charges	256.36	309.45
Dues to Capital Vendors	4.87	1.87
Other Liabilities (Refer Note 9.1)	627.64	662.07
	220,968.66	94,781.92

9.1 Other liability includes :-

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
(i) Cheques pending presentation	45.38	116.00
(ii) Time barred cheques	80.80	110.46
(iii) Cheques pending realisation	54.99	259.27
(iv) LS General	309.34	89.95
(v) Others	137.14	86.39

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

9.2 As required under Section 125 of the Companies Act, 2013, the Company has transferred ₹10.41 lakh (Previous Year ₹0.72 lakh) to Investor Education and Protection Fund (IEPF) during the year as of March 31, 2018, except to the extent of ₹56.37 lakh (previous year ₹63.44 lakh) in respect of claims that are disputed. As of March 31, 2018, no amount was due for transfer to the IEPF.

9.3 Interest accrued but not due on Borrowings includes Interest on Debentures of ₹21,755.89 lakh (previous year ₹14,702.75 lakh).

10 SHORT TERM PROVISIONS

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Income Tax	344.42	810.71
Dividend on Shares kept in abeyance	-	2.14
Employee Benefits (Refer Note 30)	1,169.83	1,092.80
	1,514.26	1,905.65

11 PROPERTY, PLANT & EQUIPMENT

₹ in Lakh

Particulars	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK		
	As at	Additions	Deductions	As at	As at	Additions	Deductions	As at	As at	As at
	April 1,			March 31,	April 1,			March 31,	March 31,	March 31,
	2017			2018	2017			2018	2018	2017
Freehold Land*	100.27	-	1.59	98.69	-	-	-	-	98.69	100.27
	(97.77)	(2.50)	-	(100.27)	-	-	-	-	(100.27)	-
Buildings	207.45	-	-	207.45	119.27	5.31	-	124.58	82.87	88.18
	(184.10)	(23.35)	-	(207.45)	(173.59)	(4.53)	(58.85)	(119.27)	(88.18)	(108.28)
Furniture and Fixtures	879.98	123.04	4.75	998.28	500.62	118.84	3.83	615.63	382.64	379.36
	(740.17)	(150.28)	(10.46)	(879.99)	(386.20)	(121.27)	(6.85)	(500.62)	(379.37)	(353.97)
Computers	589.81	40.34	0.26	629.89	517.97	63.02	0.26	580.73	49.17	71.85
	(508.04)	(87.75)	(5.98)	(589.81)	(404.57)	(119.25)	(5.85)	(517.97)	(71.84)	(103.47)
Office Equipments	66.67	2.75	0.38	69.04	41.48	12.32	0.34	53.45	15.59	25.20
	(46.31)	(21.21)	(0.84)	(66.68)	(26.98)	(15.01)	(0.52)	(41.47)	(25.21)	(19.32)
Electrical Equipments	591.59	71.50	14.07	649.02	310.85	84.88	10.32	385.42	263.61	280.74
	(471.12)	(135.20)	(14.72)	(591.60)	(235.93)	(86.77)	(11.85)	(310.85)	(280.75)	(235.18)
Vehicles - Cars	74.99	10.96	4.49	81.47	50.62	10.73	3.73	57.63	23.84	24.37
	(72.58)	(7.18)	(4.76)	(75.00)	(43.70)	(11.32)	(4.40)	(50.62)	(24.38)	(28.88)
Vehicles - Two wheelers	99.84	8.45	5.87	102.41	52.84	13.56	4.58	61.82	40.60	47.00
	(78.74)	(22.58)	(1.49)	(99.83)	(39.10)	(15.07)	(1.33)	(52.84)	(46.99)	(39.64)
Total	2,610.62	257.03	31.40	2,836.25	1,593.65	308.66	23.06	1,879.25	957.00	1,016.97
Previous Year	(2,198.83)	(450.05)	(38.25)	(2,610.63)	(1,310.07)	(373.22)	(89.65)	(1,593.64)	(1,016.99)	(888.74)

1. Freehold land includes value of undivided share in the land in case of certain properties.

2. Figures within parenthesis represents previous year's figures

3. During the previous year an amount of ₹281.27 lakh earlier shown under the head Land & Building was bifurcated into Land (₹97.77 lakh) and Building (₹187.10 lakh). This has resulted in reversal of accumulated depreciation and thereby increase in profit by ₹58.85 lakh during the previous year which is disclosed as Prior Period Adjustment in the statement of Profit & Loss.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

12 NON CURRENT INVESTMENTS

₹ in Lakh

Particulars	As at March 31, 2018		As at March 31, 2017	
	Units	(₹ in Lakh)	Units	(₹ in Lakh)
(At Cost, Non Trade in Government or Trust Securities- Quoted)				
06.05% Government of India Securities,2019	500,000	500.00	500,000	500.00
06.01% Government of India Securities,2028	500,000	500.00	500,000	500.00
05.64% Government of India Securities,2019	500,000	493.50	500,000	493.50
09.19% Kerala SDL Bond , 2024	100,000	100.00	100,000	100.00
	1,600,000	1,593.50	1,600,000	1,593.50

Notes:

Aggregate face value of quoted investments.

1,600.00

1,600.00

Market value of quoted Investments

1,544.11

1,548.52

The above investments are made to comply with the Statutory Liquidity Assets to be maintained under NHB Act. These carry a floating charge created in favour of trustees of depositors. The total investments under Statutory Liquidity Assets include ₹1593.50 lakh (previous year ₹1593.50 lakh) in Government securities and ₹1680.11 lakh (previous year ₹1654.00 lakh) in deposits with Nationalised Bank.

12.1 Presentation of Investments as per Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing bank.

₹ in Lakh

Particulars	Current Year	Previous Year
Value of Investments		
i) Gross Value of investments		
a) In India	1,593.50	1,593.50
b) Outside India	-	-
ii) Provisions for Depreciation		
a) In India	-	-
b) Outside India	-	-
iii) Net value of Investments		
a) In India	1,593.50	1,593.50
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 / Written-back of excess provisions during the year	-	-
iv) Closing Balance	-	-

13 DEFERRED TAX ASSET / LIABILITY

In view of Accounting Standard 22 "Accounting for Taxes on Income", adjustment to the deferred tax liability (net) of ₹2,759.52 lakh {Previous year ₹1,977.65 lakh} has been made and is adjusted against provision for tax for the current year. Deferred tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted as at the reporting date. The tax effects of significant timing (temporary) differences that resulted in deferred tax assets and liabilities and description of the financial statement items are as follows:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Deferred Tax Assets:		
Provision for Doubtful debts	496.93	385.91
Provision for Employee Benefits	952.54	731.32
Depreciation on Fixed Assets	88.62	57.72
Sub-Total (A)	1,538.09	1,174.95
Deferred Tax liability:		
On Special Reserve (Refer Note 3.3)	15,662.25	12,539.59
Sub-Total (B)	15,662.25	12,539.59
Deferred Tax Liability/(Asset) (B-A)	14,124.16	11,364.63

14 LONG TERM LOANS AND ADVANCES

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Secured, Considered Good. (Refer Note 14.1)		
a) Housing Loans - Individuals/staff	1,355,080.14	1,144,138.61
b) Housing Loans -Corporate Bodies & Others	21.83	1,615.68
c) Non Housing Loans	152,574.90	144,680.32
	1,507,676.87	1,290,434.60
d) Loans against deposits	83.42	60.42
(ii) Unsecured, Considered Good		
a) Staff loans	78.80	103.17
b) Security Deposits	289.11	264.98
c) Advance Tax and Tax Deducted at Source (Net of Provisions)	1,380.86	1,377.86
	1,509,509.06	1,292,241.03

14.1 Loans and instalments due from borrowers are secured, partly secured or otherwise by:

- (a) Equitable 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.

14.2 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 ₹667.62 Lakh (PY 2016-17: ₹533.71 Lakh), which are part of NPA portfolio aggregating to ₹559.68 Lakh (PY 2016-17: ₹500.80 lakh) for which necessary provisions have already been made. These assets are accounted as and when they are realized.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

14.3 Classification of loans and provisions made Standard and Non-performing assets is given hereunder

₹ in Lakh

Particulars		Housing loans		Non Housing Loans	Total Loans	Provisions			Additional Provisions			Total Provisions
		(including instalments due from borrowers)				HL Individuals	Corporate bodies	Non housing loans	Individuals	Corporate Bodies	Non housing loans	
		Individuals	Corporate bodies									
As on March 31, 2018	Standard	1,403,299.15	17.20	164,252.21	1,567,550.68	3,508.25	0.17	2,032.38	934.20			6,475.00
	Sub-standard	4,422.81	20.93	868.34	5,312.08	663.42	3.14	130.25	597.71	17.79	738.09	2,150.40
	Doubtful 1	390.38	-	97.75	488.13	97.59	-	24.44	292.79	-	73.31	488.13
	Doubtful 2	142.54	-	14.35	156.89	57.02	-	5.74	85.52	-	8.61	156.89
	Doubtful 3	17.88	-	-	17.88	17.88	-	-	-	-	-	17.88
	Loss	614.81	-	158.72	773.53	614.81	-	158.72	-	-	-	773.53
	Total	1,408,869.69	38.13	165,391.37	1,574,299.19	4,958.97	3.31	2,351.53	1,910.22	17.79	820.01	10,061.83
As on March 31, 2017	Standard	1,174,404.63	1,495.71	152,614.88	1,328,515.22	4,697.62	14.96	1,552.42	-	-	-	6,265.00
	Sub-standard	868.40	141.93	293.00	1,303.33	130.26	21.29	43.95	738.14	120.64	249.05	1,303.33
	Doubtful 1	511.78	-	23.42	535.20	127.94	-	5.86	383.84	-	17.56	535.20
	Doubtful 2	272.18	-	5.91	278.09	108.87	-	2.36	163.31	-	3.55	278.09
	Doubtful 3	401.42	-	9.77	411.19	401.43	-	9.77	-	-	-	411.19
	Loss	263.29	-	-	263.29	263.29	-	-	-	-	-	263.29
	Total	1,176,721.70	1,637.64	152,946.98	1,331,306.32	5,729.41	36.25	1,614.36	1,285.29	120.64	270.16	2,791.10

14.4 Recognition of income and provision for non-performing assets has been made in accordance with the guidelines on prudential norms applicable as of March 31, 2018. Provision of loans is required to be maintained as per NHB guidelines on prudential norms to the extent of ₹1,773.01 lakh (Previous year ₹1,115.02 lakh) against which the company, by way of prudence and abundant caution has maintained cumulative provision of ₹3586.83 lakh (Previous year ₹2791.11 lakh).

The Company has provided 63 % provision for Non-Performing assets. Additional Provision provided in the current year is ₹2000.00 lakh (previous year ₹815.38 lakh).

14.5 As per the National Housing Bank Circulars NHB.HFC.DIR.4/CMD/2012 dated January 19, 2012 & NHB.HFC.DIR.9 /CMD/2013 dated September 6, 2013, and vide notification no. NHB.HFC.DIR.18/MD&CEO/2017 dated August 2, 2017, 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% of the total outstanding amount of 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.

National Housing Bank (NHB) vide notification no. NHB.HFC.DIR.18/MD&CEO/2017 dated August 2, 2017 reduced the provisioning requirement on Standard Individual Housing Loans from 0.40% to 0.25%. In terms of the said notification, as of March 31, 2018, the Company carries a cumulative provision of ₹6,475 lakh which is higher than the revised regulatory requirement of minimum ₹5540.80 lakh. Accordingly the Company has made provision for Standard assets as detailed below.

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

₹ in Lakh

Particulars	2017-18		2016-17	
	Outstanding	Provisions	Outstanding	Provisions
(i).Standard Assets – Commercial Real Estate	118,416.08	1,184.16	112,737.32	1,127.37
(ii).Standard Assets – Commercial Real Estate – Residential Housing	97,840.15	978.40	78,379.75	587.85
(iii).Standard Assets – Other than (i) & (ii) above	1,351,294.45	3,378.24	1,137,398.15	4,549.59
Total Standard Assets & Provisions required	1,567,550.68	5,540.80	1,328,515.22	6,264.81
Total Provision made for Standard Assets		6,475.00		6,265.00

15 OTHER NON CURRENT ASSETS

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
Others:		
Deposits with Canara Bank for SLR (Refer Note 15.1)	920.01	748.23
	920.01	748.23

15.1 The above deposits are held to comply with the Statutory Liquidity Assets required to be maintained under NHB Act. These carry a floating charge created in favour of trustees of depositors.

16 CASH AND BANK BALANCES

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
a) Cash and Cash Equivalents		
Balance with Banks	2.25	9.80
Cash on hand	27.25	43.70
Cheques on hand	43.92	116.00
b) Other Bank Balances		
Deposits with Banks held for SLR*	760.10	905.77
Balance with Banks – Dividend A/c	147.97	124.18
Balance with Banks –Share application A/c (Refer Note 2.2 & 4)	-	47.62
	981.49	1,247.06

* The above deposits are held to comply with the Statutory Liquidity Assets required to be maintained under NHB Act. These carry a floating charge created in favour of trustees of depositors.

17 TRADE RECEIVABLES

₹ in Lakh

Particulars	As at March 31, 2018	As at March 31, 2017
(Unsecured, considered good)		
Outstanding for a period exceeding 6 months from due date	-	-
Other Trade Receivables		
Due from Related Parties	21.05	-
	21.05	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

18 SHORT TERM LOANS AND ADVANCES

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
(i) Unsecured, Considered Good		
Other advances	25.23	81.14
Staff Advances	29.44	30.82
GST Input Credit	17.27	-
	71.94	111.96

19 OTHER CURRENT ASSETS:

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
(i) Secured, Considered Good. (Refer Note 14.1)		
Current Maturities of Long term Advances		
- Housing Loans - Individuals / staff	53,789.54	32,583.10
- Housing Loans - corporate bodies & others	16.30	21.97
- Non Housing Loans	12,816.47	8,266.67
	66,622.32	40,871.73
Interest accrued on bank deposits held for SLR	20.81	21.58
Other assets	0.11	-
	66,643.25	40,893.30

20 REVENUE FROM OPERATIONS

Particulars	₹ in Lakh	
	Year Ended March 31, 2018	Year Ended March 31, 2017
(i) INTEREST INCOME		
Housing Loans Individuals	127,703.19	110,774.48
Housing Loan Corporate Bodies & others	130.14	356.71
Non Housing Loans	20,994.44	19,243.00
Staff Loans	8.51	9.99
Loans against deposits	7.32	8.06
Investments and Deposits		
a) Interest on Bank Deposits	114.58	115.55
b) Interest on Government Securities	97.96	94.01
	149,056.14	130,601.80
(ii) FEES AND OTHER INCOME FROM OPERATIONS		
Processing and other Fees	5,121.11	4,598.98
Bad debts recovered	95.70	10.30
Insurance Commission Income	19.49	-
Miscellaneous income	97.29	95.23
	5,333.58	4,704.51
	154,389.72	135,306.31

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

21 OTHER INCOME

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Profit on sale of fixed assets	11.77	-
Provision no longer required written back	273.44	-
Dividend Income from Investment in Mutual Fund	31.27	5.91
	316.48	5.91

22 EMPLOYEE BENEFIT EXPENSES

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Salary and Wages (Refer Note 25.3)	3,378.52	3,393.91
Contribution to Provident Fund and other Funds (Refer Note 22.1)	845.88	381.80
Staff Training and Welfare Expenses	191.84	160.24
	4,416.24	3,935.95

22.1 Employee Benefit Expenses include ₹612.87 lakh (Previous Year ₹459.21 lakh) towards provision made in respect of Gratuity, accumulated leave salary (PL encashment), Statutory Provident Fund and Leave Travel Assistance which is in the nature of Long Term Employee Benefits and has been actuarially determined as per the Accounting Standard on Employee Benefits (AS 15).

23 FINANCE COSTS

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Interest on Deposits	1,870.25	2,233.82
Interest on Borrowings	95,379.07	85,628.99
Other Financial charges	828.56	539.94
	98,077.88	88,402.74

24 DEPRECIATION AND AMORTIZATION EXPENSES

₹ in Lakh

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Depreciation on Fixed Assets	308.66	373.22
	308.66	373.22

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25 OTHER EXPENSES

Particulars	₹ in Lakh	
	As at March 31, 2018	As at March 31, 2017
Advertising	98.53	116.09
Bad debts written off	-	85.31
Bank Charges	22.96	25.83
Direct Selling Agent's commission	916.05	990.70
Director's sitting Fees	15.60	12.60
Electricity charges	128.81	115.03
Insurance	56.38	53.81
Miscellaneous Expenses	70.52	65.24
Business Development Expenses	32.23	29.47
Seminar and Meetings Expenses	40.51	22.54
Donations	2.25	5.52
Postage, Courier & Telephone	124.71	115.76
Printing and Stationery	42.91	33.35
Professional Fees	172.55	134.70
Professional Fees - IBS (Refer Note 25.1)	329.23	299.35
Auditors Fees (Refer Note 25.2)	38.82	31.68
Rates and Taxes	170.89	96.68
Rent	938.73	796.48
House Keeping Expenses	65.47	52.62
Repairs & Maintenance	97.22	91.30
Travelling and Conveyance	185.63	149.03
Corporate Social Responsibility (CSR) (Refer Note 36)	337.85	435.79
Loss on sale of Fixed Assets	-	3.37
	3,887.85	3,762.25

25.1 The Company has entered into lease cum licence agreement with M/s Encore Theme Technologies Pvt. Ltd., for implementation of Integrated Business Suit (IBS) software. The expenditure incurred in this regard amounting to ₹329.23 lakh (Previous Year ₹299.35 lakh) is charged off to the P & L account under Professional fees – IBS.

25.2 Auditor's remuneration (net of Service Tax/GST)

Particulars	₹ in Lakh	
	For the year ended	
	March 31, 2018	March 31, 2017
Audit Fees (Including Branch Statutory Auditors fees)	31.48	23.87
Tax Matters	5.88	5.51
Other Services (Certificates etc.,)	1.46	2.30
Out of Pocket Expenses	4.75	5.05
Total	43.56	36.73

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

25.3 Remuneration to Managing Director/s (net of Service Tax/GST)

₹ in Lakh

Particulars	For the year ended	
	March 31, 2018	March 31, 2017
(i) Salaries – Shri S K Hota	16.83	15.55
(ii) Incentive – Shri S K Hota	3.40	3.00
(iii) Provident Fund - Shri S K Hota	0.99	0.94
(iv) Reimbursement of Rent - Shri S K Hota	8.19	-
(v) Salaries – Shri C Ilango	-	2.24
(vi) Incentives – Shri C Ilango	-	3.29
(vii) Provident Fund/Gratuity/ Leave Salary - Shri C Ilango	-	7.79
Total	29.41	32.81

26 CONTINGENT LIABILITIES (NET OF PROVISIONS)

₹ in Lakh

Nature of claims	Risk involved	As at	As at
		March 31, 2018	March 31, 2017
Disputed Income Tax matters under appeal:	1. The Income Tax Appeals filed by the Department for the Asst. Years 1996-97 to 1999-2000 have been dismissed by the Hon'ble High Court of Karnataka and allowed in favour of the Company. The Department has filed two separate appeals before the Hon'ble Supreme Court of India for the Asst. Year 1996-97 which has since been dismissed. Hence no longer considered as disputed tax/contingent liability. Further, provision created for the said purpose for an amount of ₹300.96 lakh as on March 31, 2018 has been utilised for AY 2006-07 and AY 2007-08 disputed tax.		
	2. The appeals filed by the Company for the Asst. Year 2006-07 and 2007-08 were dismissed by the 2nd appellate authority and the Company has preferred appeals before the Hon'ble High Court of Karnataka which are admitted and yet to be heard. The alleged demand for the Asst. Year 2006-07 (under appeal) has been recovered by the Department to the extent of ₹535 lakh out of the refunds determined to the Company. The alleged demand for the Asst. Year 2007-08 (under appeal) amounting to ₹448.13 lakh towards the alleged Income Tax and interest, is also adjusted by the department. Further, ₹375.80 lakh has been paid by the company under protest. Provision created in the books of account for the said purpose and balance as on March 31, 2018 is ₹600.00 lakh and the excess provision as per point 1 above to the extent of ₹300.96 lakh has been utilised for provision against disputed tax of AY 2006-07 & 2007-08. The short provision to the extent of ₹113.85 continued to be shown as such under disputed Tax.		
	3. An amount of ₹3.55 lakh demanded for the Asst. Year 2003-04. However as per Company there is no tax due for the said Asst. Year. Company is yet to receive rectification order. Hence shown under disputed tax.		
	4. An amount of ₹15.61 lakh demanded for the Asst. Year 2004-05. However as per Company there is no tax due for the said Asst. Year. Company is yet to receive rectification order. Hence shown under disputed tax.		
		149.46	780.81

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Nature of claims	Risk involved	₹ in Lakh	
		As at March 31, 2018	As at March 31, 2017
	5. An amount of ₹16.44 lakh demanded for the Asst. Year 2011-12 continues to be shown under disputed tax, pending receipt of rectification orders against which the Company has determined a liability of ₹1.97 lakh to be adjusted against the refund due to the Company.		
Claims made by borrowers of the company before various Consumer Forums.	There are ten cases in Consumer Forums, out of which one case is pending before State Consumer redressal Forum and one case is pending before High Court where compensation is sought against the Company.	45.94	21.07

Based on the professional advice no material liabilities are expected, and hence no provision is made in the financial statements for the same.

27 EARNINGS PER SHARE HAS BEEN COMPUTED BASED ON THE PROFIT AFTER TAX AND THE WEIGHTED AVERAGE NUMBER OF SHARES DURING THE YEAR AS BELOW:

Particulars	₹ in Lakh	
	For the year ended March 31, 2018	March 31, 2017
Profit after tax (₹ in lakh) (a)	30,177.43	23,525.88
Weighted average No. of shares (₹ in lakh) (b)	1,331.06	1,331.00
Basic earnings per share (₹) (a/b)	22.67	17.68
Diluted earnings per share (₹) (a/b)	22.67	17.68
Nominal value per share (₹)	2.00	2.00

28 OTHER DISCLOSURES REQUIRED AS PER NATIONAL HOUSING BANK (NHB)

The following additional disclosures have been given in terms of the circular no. NHB/ND/DRS/Pol-No.35/2010-11 dt. October 11, 2010 and Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing bank.

28a) Capital to Risk Assets Ratio (CRAR)

Particulars	Current Year	Previous Year
i) CRAR (%)	19.08%	18.50%
ii) CRAR – Tier I Capital (%)	16.96%	16.01%
iii) CRAR – Tier II Capital (%)	2.12%	2.49%
iv) Amount of subordinated debt raised as Tier – II Capital (₹ in lakh)	10,000.00	10,000.00
v) Amount raised by issue of Perpetual Debt Instruments (₹ in lakh)	-	-

Note: Tier II capital includes Provision for Standard Assets.

[illegible]

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28h) Registration obtained from other financial sector regulators :

- (i) The Company has obtained a registration certificate from the Trade Mark Registry for registration of Logo of the Company. (not financial sector).
- (ii) The Company has registered itself with Insurance Regulatory and Development Authority for carrying out the 'Corporate Agency Business'.
- (iii) RBI has issued a notification No. RBI/2017-18/82.DBR.NO.BP.BC.92/21.04.048/2017-18 dated 02/11/2017 for introduction of Legal Entity Identifier (LEI) to be obtained by large corporate borrowers. The company has obtained a LEI registration number: 335800EJ9Y3XDP5ZDH81
- (iv) The Company has registered itself with the Information Utility [NeSL (National E Governance Services Ltd.)] as required under Insolvency & Bankruptcy Code, 2016

28i) Rating assigned by Credit Rating Agencies and migration of rating during the year:

Credit Rating agency	Type	Credit Rating FY 2017-18	Credit Rating FY 2016-17
ICRA	Public Deposits	ICRA MAAA (Negative)	ICRA MAAA (Negative)
ICRA	Commercial Papers	A1+	A1+
ICRA	Long Term Bank Loans	ICRA AAA	ICRA AAA
ICRA	Short Term Bank Loans	A1+	A1+
ICRA	Non Convertible Debentures	ICRA AAA (Outlook Negative)	ICRA AAA
CARE	Non Convertible Debentures	CARE AAA (Under credit watch with developing implications)	CARE AAA
CARE	Commercial Papers	A1+ (Under credit watch with developing implications)	A1+
FITCH	Non Convertible Debentures	IND AAA (Outlook Negative)	IND AAA
FITCH	Commercial Papers	IND A1+	IND A1+

28j) Revenue Recognition

No revenue recognition has been postponed pending the resolution of significant uncertainties.

28k) Accounting Standard 21 – Consolidated Financial Statements (CFS)

The subject Standard is not applicable for the Company.

28l) Provisions and Contingencies

Break up of Provisions and Contingencies shown under the head Expenditure in Profit & Loss Account	₹ in Lakh	
	Current Year	Previous Year
Provision for depreciation on Investment	-	-
Provision made towards Income Tax	12,792.62	11,513.00
Provision towards NPA	2,000.00	815.38
Provisions for Standard Assets (for details like teaser loan, CRE, CRE-RH etc Refer Note 14.5)	210.00	1,065.00
Other Provisions & Contingencies	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

28m) Draw Down from Reserves

There was no draw down from Reserves during the year 2017-18 .

28n) Concentration of Public Deposits, Advances, Exposures and NPAs

i) Concentration of Public Deposits (for Public Deposit taking/holding HFCs)

₹ in Lakh

Particulars	Current Year	Previous Year
Total Deposits of twenty largest depositors	6158.83	6115.3
Percentage of Deposits of twenty largest depositors to Total Deposits of the HFC	25.97%	26.98%

ii) Concentration of Loans & Advances

₹ in Lakh

Particulars	Current Year	Previous Year
Total Loans & Advances to twenty largest borrowers	3,686.00	4326.01
Percentage of Loans & Advances to twenty largest borrowers to Total Advances of the HFC	0.23%	0.32%

iii) Concentration of all Exposure (including off-balance sheet exposure)

₹ in Lakh

Particulars	Current Year	Previous Year
Total Exposure to Twenty largest borrowers / customers	3,686.00	4,326.01
Percentage of exposure to twenty largest borrowers / customers to Total Exposure of the HFC on borrowers / customers	0.23%	0.32%

iv) Concentration of NPAs

₹ in Lakh

Particulars	Current Year	Previous Year
Total Exposure to Top ten NPA accounts	703.14	673.27

v) Sector-wise NPAs

Sector	Percentage of NPAs to Total Advances in that sector
A Housing Loan	
1 Individuals	0.39
2 Builders / Project Loans	55.26
3 Corporates	0.00
4 Others (specify)	0.00
B Non – Housing Loans	
1 Individuals	0.72
2 Builders / Project Loans	0.00
3 Corporates	0.00
4 Others (specify)	0.00

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

vi) Movement of NPAs

Particulars	Current Year	Previous Year
1 Net NPAs to Net Advances (%)	0.20	0.00
2 Movement of NPAs (Gross) (₹ in lakh)		
a Opening balance	2,791.11	1,975.73
b Additions during the year	5,568.63	1,295.34
c Reductions during the year	1,611.23	479.96
d Closing balance	6,748.51	2,791.11
3 Movement of Net NPAs (₹ in lakh)		
a Opening balance	-	-
b Additions during the year	3,161.68	815.38
c Reductions during the year	-	815.38
d Closing balance	3,161.68	-
4 Movement of provisions for NPAs (excluding provisions on standard assets) (₹ in lakh)		
a Opening balance	2,791.11	1,975.73
b Provisions made during the year	3,488.28	850.00
c Write-off / Write-back of excess provisions	2,692.55	34.62
d Closing balance	3,586.83	2,791.11

vii) Overseas Assets

Particulars	Current Year	Previous Year
NIL	NIL	NIL

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

Particulars	Current Year	Previous Year
1) No. of Complaints pending at the beginning of the year	9	1
2) No. of Complaints received during the year	306	261
3) No. of Complaints redressed during the year	295	253
4) No. of Complaints pending at the end of the year	20	9

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

29 PARTICULARS OF DIVIDEND PAID TO NON-RESIDENT SHAREHOLDERS:

Year in which dividend paid	2017-18	2016-17
No of Shareholders	933	595
No of Shares held @ ₹10/- per share	308,174	267,294
Gross amount of Dividend (Rupees)	3,081,740	2,672,940

30 DISCLOSURE ON EMPLOYEE BENEFITS – AS 15 REVISED

	₹ in Lakh	
Defined Contribution Plans	2017-18	2016-17
Employer's Contribution to Provident and Pension Fund	290.45	266.45
Employer's Contribution to Employees State Insurance	14.19	5.51

DEFINED BENEFIT PLANS

Gratuity is an Employee Benefit payable on retirement / superannuation / resignation on completion of 5 years of service.

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 max of 240 days.

Provident Fund is a statutory employee benefit wherein contributions are made by the employee and employer in prescribed proportion.

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.

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

Particulars	₹ in lakh									
	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17
1) Present value of Projected Benefit obligation as on 01/04/16 & 01/04/17	945.32	857.28	2,839.92	2,496.86	88.52	71.05	-	-	918.17	695.47
2) Service Cost	61.73	52.05	549.12	496.75	10.71	8.73	-	94.20	49.28	39.53
3) Interest Cost	67.75	66.33	258.58	226.51	6.46	5.61	-	-	62.60	51.76
4) Past Service Cost	-	-	-	-	-	-	-	-	-	-
5) Actuarial Gains (+) / Losses (-)	65.02	4.93	-64.39	-217.94	22.58	3.13	-	-	-34.84	211.84
6) Benefit Paid	34.34	35.28	-184.65	162.26	-	-	-	-	-121.39	80.43
7) Present Value of Projected Benefit Obligations as on 31/03/17 & 31/03/18 (1+2+3+4+5- 6)	1,460.91	945.32	3,398.57	2,839.92	83.11	88.52	-	94.20	873.82	918.17

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

ii. Expenses recognised in the statement of Profit and Loss account for the year ended March 31, 2018

₹ in lakh

Particulars	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17
Service Cost	61.73	52.05	549.12	496.75	10.71	8.73	-	94.20	49.28	39.53
Past Service Cost	-	-	-	-	-	-	-	-	-	-
Interest Cost	67.75	66.33	258.58	226.51	6.46	5.61	-	-	62.60	51.76
Actuarial Gains (-) Losses (+)	-63.65	2.83	-24.09	-194.63	-22.58	3.13	-	-	-34.84	211.84
Expected Return on Plan Assets	10.08	11.37	283.51	233.67	-	-	-	-	-	-
Benefits paid	-	-	-	-	-	-	-	-	-	-
Amount charged to Employees remuneration And benefits & other Expenses	541.24	109.84	500.09	294.96	-5.41	17.47	-	94.20	77.04	303.13

iii. Reconciliation of Opening balances and Closing balances of Plan Assets

₹ in lakh

Particulars	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17	17-18	16-17
Opening Balance	143.13	154.58	2,973.78	2,428.93	-	-	-	-	-	-
Expected Return	10.08	11.37	283.51	233.67	-	-	-	-	-	-
Actuarial Gains (+) Losses (-)	-1.37	2.10	-40.30	-23.30	-	-	-	-	-	-
Contribution by employees	-	10.36	549.12	496.75	-	-	-	-	121.39	80.43
Benefits paid	34.34	35.28	-184.65	162.26	-	-	-	-	121.39	80.43
Closing balance	117.50	143.13	3,581.46	2,973.78	-	-	-	-	-	-

iv. Actuarial Assumptions

S.No.	Discription	As on March 31, 2018	As on March 31, 2017
1	Discount Rate per annum	7.72%	7.30%
2	Rate of Return on Plan Assets	Gratuity 8.00%	Gratuity 8.00%
		Exempted PF	Exempted PF
		8.65%	8.65%
3	Mortality Rate	Indian Assured Lives (2006-08) Ultimate Table	Indian Assured Lives (2006-08) Ultimate Table
4	Withdrawal rates (per annum)	3.50%	3.50%
5	The estimates of future salary increases considered in actuarial valuation, take into account escalation, inflation, seniority, Promotion and other relevant factors	7.50% for the next five years	8.50% for the next five years

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

v. Investment pattern (in %)

Particulars	As at March 31, 2018	As at March 31, 2017
Gratuity - Funded		
Funds managed by Insurer	100%	100%
Total	100%	100%
Exempt PF- Funded		
Government of India Securities	12.21%	17.86%
State Government Securities	36.07%	31.46%
High Quality Corporate Bonds	40.25%	40.13%
Special Deposits Scheme	2.72%	3.29%
Mutual Funds	5.65%	4.73%
Bank Deposits	3.09%	2.53%
Total	100%	100%

vi. Present value of defined benefit obligation, plan asset and experience adjustments

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Gratuity - Funded					
Present value of obligations	1,460.91	945.31	857.28	792.82	672.86
Fair value of plan assets	117.50	143.13	154.58	175.82	165.58
Funded Status [(Surplus)/Deficit]	1,343.41	802.17	702.70	617.00	507.28
Experience [(Gain)/Loss] adjustment on plan liabilities	-27.49	3.00	-44.48	-7.79	-25.98
Experience [Gain/(Loss)] adjustment on plan assets	-0.49	-3.56	2.10	-9.92	-
Long Term Compensated Absences - Funded					
Present value of obligations	873.82	918.17	695.47	479.14	390.83
Fair value of plan assets	-	-	-	-	-
Funded Status [(Surplus)/Deficit]	873.82	918.17	695.47	479.14	390.83
Experience [(Gain)/Loss] adjustment on plan liabilities	-45.20	-152.99	-151.99	-54.18	-74.73
Experience [Gain/(Loss)] adjustment on plan assets	-	-	-	-	-
Exempt PF- Funded					
Present value of obligations	3,398.57	2,839.92	2,496.86	2,028.06	1,602.13
Fair value of plan assets	3,581.46	2,973.78	2,428.93	1,986.51	1,571.19
Funded Status [(Surplus)/Deficit]	-182.89	-133.86	67.93	41.55	30.94
Experience [(Gain)/Loss] adjustment on plan liabilities	-64.39	-182.05	0.44	-0.60	-6.98
Experience [Gain/(Loss)] adjustment on plan assets	-40.30	-23.30	-34.01	-22.93	-25.41
Sick Leave- Unfunded					
Present value of obligations	83.11	88.52	71.05	43.92	52.41
Experience [(Gain)/Loss] adjustment on plan liabilities	18.07	0.32	-4.35	2.02	2.16
LTC- Unfunded					
Present value of obligations	-	94.20	65.43	46.52	37.14
Experience [(Gain)/Loss] adjustment on plan liabilities	-	-	-	-	-

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

31 Segment Reporting – The company's primary business is of housing finance. During the year the Company has commenced corporate insurance agency business activity and it is not a separate reportable segment as per Accounting Standard on Segment reporting (AS-17) and hence the Segment reporting is not applicable to the Company.

32 The transactions with related parties as per Accounting Standard 18 "Related Party Disclosures" issued by the Institute of Chartered Accountants of India and as required under the Listing Agreement with Stock Exchanges are furnished below:

A) Related Parties:

Canara Bank	Sponsor Bank
Canbank Factors Ltd. Canbank Computer Services Ltd. Canbank Financial Services Ltd. Canbank Venture Capital Fund Canara Bank Securities Ltd.	Subsidiaries of Canara Bank
Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd. Canara Robeco Asset Management Company Ltd.	Joint Venture with Canara Bank

B) Key Management Personnel:

Shri S K Hota	Managing Director
Shri Atanu Bagchi	Deputy General Manager & Chief Financial Officer (CFO)
Smt. Veena G Kamath	Company Secretary

C) Transactions with Related Parties:

			₹ in Lakh
Related Party	Nature of Transaction	2017-18	2016-17
1. Canara Bank	Term Loans & other credit facilities	256,804.71	169,182.16
	Interest paid for the year	10,831.32	8,895.33
	Deposits	1,680.11	1,654.00
	Interest earned for the year	114.58	115.55
	Rent paid for the year	41.94	48.19
	Bank charges for the year	22.71	25.78
	Sitting Fees to Directors	3.80	3.30
	Salary & other benefits of Managing Director/s	29.41	32.81
	Other Payments for the year	4.80	5.38
	Rent Received from Bank	0.24	1.10
	Discount on Commercial Paper	-	541.40
2. Canbank Computer Services Ltd	Current A/c Balances	150.06	133.97
	Registrar & Transfer Agency charges for the year	16.32	13.31
3. Canara Bank Employee Pension Fund, Provident Fund & Gratuity Fund	Borrowings by way of SRNCD	7,000.00	5,500.00
	Interest paid on SRNCD	467.92	84.80
4. Canara Robeco Asset Management Company Ltd.	Dividend earned during the year	19.05	5.91
5. Canara HSBC OBC Insurance Co. Ltd	Commission earned for the year	19.49	-
TOTAL		277,206.46	186,242.99

(Amount written off: Nil | Amount written back: Nil | All the above are transacted in the normal course of business.)

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

33 DISCLOSURE UNDER PARAGRAPH 29 OF THE HOUSING FINANCE COMPANIES (NHB) DIRECTIONS, 2010.

The Company has complied with requirements as per Para 29 of the Housing Finance Companies (NHB) Directions 2010 except for one instance detailed below.

National Housing Bank (NHB) in its regulatory Audit conducted during the financial year 2016-17 for F/Y 2014-15 & FY 2015-16 has raised an issue on the procedure followed by the Company since inception, on valuation of Government Securities under HTM category invested for SLR purpose. NHB vide its letter NHB(ND)/DRS/SUP/9349/2017 dated 19/09/2017 has imposed an aggregate penalty of ₹28,62,708.00 under the Provisions of Section 29B of the National Housing Bank Act, 1987 for the period 01/04/2014 to 27/07/2016 and the same is paid.

34 DERIVATIVES

The following additional disclosures have been given in terms of the Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing bank.

- a) Forward Rate Agreement (FRA) / Interest Rate Swap (IRS): No exposure
- b) Exchange Traded Interest Rate (IR) Derivative: No exposure
- c) Disclosures on Risk Exposure in Derivatives : Not applicable

35 SECURITISATION

The following additional disclosures have been given in terms of the Notification No. NHB.HFC.CG-DIR.1/MD&CEO/2016 dated February 9, 2017 issued by the National Housing bank.

The Company has no exposure under Securitisation.

36 CORPORATE SOCIAL RESPONSIBILITY (CSR)

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 focussed in promoting education including special education and employment in enhancing vocation skills especially among children. The Company also focuses on women empowerment by Promoting gender equality, setting up homes and hostels for women and orphans; setting up old age homes, day care centres, livelihood enhancement projects for the elderly & the differently abled. Reducing inequalities faced by socially and economically backward group and contribution to Prime Minister's National Relief Fund 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 our branches in those areas. The total amount/ budget under CSR for the FY 2017-18 was ₹668 lakh, (previous year ₹596 lakh), out of which total amount spent under the CSR activities is ₹338 Lakh (previous year ₹436 Lakh). The unspent amount of ₹330 Lakh is carried forward as per provisions of Companies Act with the aim to go in for granular details/ appropriate projects before spending in FY 18-19. A summary of CSR details as on 31/03/18 is given below:

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Activities undertaken	₹ in Lakh	
	No. of Beneficiaries	Amount
Construction/ repair & renovation of Schools/ Hostels	7	71.57
Desks & benches/ Tables/ Almirah/ Green Board/ Chairs etc.	57	143.09
Drinking water facility/ supply of other articles of necessity etc.	12	17.62
Nalli kalli round tables/ chairs/ desk & benches/ drinking water facility etc.	25	67.56
Electrical & Electronic Items	3	2.71
Toilet Facility	1	3.36
Scholarship	1	0.35
Equipments for hospital	1	7.50
Equipments for old age home	1	1.69
Schools bags/stationery items etc.	3	4.56
Solar lighting system	1	0.34
Tree planting under environmental protection/ sustainability/ saplings with tree guards/ pots to the customers.	3	7.52
Career Digest books to the govt. schools	1	9.98
Total	116	337.85

37 Previous year figures have been rearranged / regrouped wherever necessary to correspond with the current year's classification/ disclosure.

For **Varma & Varma**
Chartered Accountants
FRN:- 004532S

K.N. Prithviraj
Chairman

S. K. Hota
Managing Director

G. Naganathan
Director

R. Kesavadas
Partner
Membership No: 23862

Bharati Rao
Director

T.V. Rao
Director

P.V. Bharathi
Director

Place: Bangalore
Date: April 28, 2018

Atanu Bagchi
Chief Financial Officer

Veena G. Kamath
Company Secretary

LIST OF 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,
Tel:0562 -4008500
Email id: agra@canfinhomes.com

2. Ahmedabad

CAN FIN HOMES LTD
No.203, Samedh Building, 2nd Floor, C G Road, Near Associated Petrol Pump, Ahmedabad - 380006, Gujarat
Tel:079-26405312/26560759
Email id: ahmedabad@canfinhomes.com

3. Ajmer

CAN FIN HOMES LTD
Shop No. 10, 1st Floor, Bhadana Complex, Nasirabad Road, Opp. Balupura Road, Adarsh Nagar, Ajmer - 305001, Rajasthan
Tel: 0145-2680249
Email id: ajmer@canfinhomes.com

4. Allahabad

CAN FIN HOMES LTD
43/10, 1st Floor, Sardar Patel Marg Civil Lines, Allahabad, Uttar Pradesh
Tel: 0532 2260680
Email id: allahabad@canfinhomes.com

5. Ambala

CAN FIN HOMES LTD
Showroom No.4, 1st Floor, Prem Nagar, Old Delhi Road, Ambala, Harayana-134003
Tel: 0171 - 2550560
Email Id: ambala@canfinhomes.com

6. Baroda

CAN FIN HOMES LTD
No.4,5,6, 1st Floor, Plot No.24, Spring Field Complex, Hari Nagar Co-Operating Housing Society, Hari Nagar Chhar Rasta, Gotri Road, Vadodara-390021, Gujarat
Tel: 0265-2388326/2388327
Email Id: baroda@canfinhomes.com

7. Behrampur

CAN FIN HOMES LTD
Plot No.1168/2422, Ground Floor, Hillpatna, Near Nehru Park, Station Road, Behrampur - 760 005, Odisha
Tel: 0680 2221888
Email Id: behrampur@canfinhomes.com

8. Belgaum

CAN FIN HOMES LTD
Shop No. 5, Ground Floor, Classic Manor, Somwar Peth Tilakwadi, Belgaum - 590 006, Karnataka
Tel: 0831 - 4810577
Email Id: belgaum@canfinhomes.com

9. Bhilai

CAN FIN HOMES LTD
Shop No. 255-258, 1st Floor, Chouhan Estate, Above HDFC Bank, G E Road, Supela Bhilai, Chattisgarh.490023
Tel: 0788-4902391
Email Id: bhilai@canfinhomes.com

10. Bhopal

CAN FIN HOMES LTD
Plot No 1, 1st Floor, Zone 2, M P Nagar Bhopal-462 011, Madhya Pradesh
Tel: 0755-2577939/2577935
Email Id: bhopal@canfinhomes.com

11. Bhubaneswar

CAN FIN HOMES LTD
Plot No. SCR - 44, 1st Floor, Kharavela Nagar, Unit 3, Bhubaneswar - 751001, Odisha
Tel : 0674-2393345 /2393061
Email id: bhubaneswar@canfinhomes.com

12. Bilaspur

CAN FIN HOMES LTD
1st Floor, B C Plaza, Khata No.1538/3, Vikas Nagar, Mungeli Road Mangala Chowk, Bilaspur - 495001 Chhattisgarh
Tel: 07752 404571
Email Id: bilaspur@canfinhomes.com

13. BLR – Basavanagudi

CAN FIN HOMES LTD
No. 93/04, 1st Floor, Shanthi Parvath, South End Circle, Basavanagudi, Bengaluru - 560004, Karnataka
Tel: 080 - 26560277/41216633 Email id: basavanagudi@canfinhomes.com

14. BLR – Begur

CAN FIN HOMES LTD
No. 2&4, Shanti Priya Layout, Devarachikkanahali Road, Behind Govt. High School, Begur, Bengaluru - 560 068, Karnataka
Tel: 080 - 25740123
Email Id: begur@canfinhomes.com

15. BLR – Bidadi

CAN FIN HOMES LTD
Sri Annapoorneshwari Complex, 1st Floor (above Canara Bank), BGS Road, Bidadi, Bengaluru-562 109, Karnataka
Tel: 080-27282580
Email Id: bidadi@canfinhomes.com

16. BLR-Cunningham

CAN FIN HOMES LTD
No. 19/5, 'KAREEM TOWERS', 1st Floor, Cunningham Road, Bengaluru-560052, Karnataka
Tel: 080-22266430/22257906/22262003
Email id: cunninghamroad@canfinhomes.com

17. BLR-Devanahalli

CAN FIN HOMES LTD
No.19/18/2598/2431/2105, 1st Floor, Raja Rao Complex, Opp, SBI, Tippu Sultan Road Devanahalli, Bengaluru - 562 110, Karnataka
Tel: 080-27682007
Email Id: devanahalli@canfinhomes.com

18. BLR – Electronic City

CAN FIN HOMES LTD
"VIJAY ICON" Sr. No. 61/11, Hoskur Gate, Ananthanagar Road, Electronic City, Bengaluru - 560100, Karnataka
Tel: 080-27833633
Email id: electroniccity@canfinhomes.com

19. BLR-Hesaraghatta

CAN FIN HOMES LTD
No 765, 1st Floor, MEI Layout, 60 feet Road, Bagalagunte, Hesaraghatta Road Bengaluru-560 073
Tel: 080-28390315
Email Id: hesaraghatta@canfinhomes.com

20. BLR – HRBR Layout

CAN FIN HOMES LTD
No. 2C-707, Ground Floor, 7th Main, 2nd Cross, 1st Block, HRBR Layout, Bengaluru - 560 043, Karnataka
Tel: 080-2545 0092
Email Id: hrbr@canfinhomes.com

21. BLR-Jayanagar

CAN FIN HOMES LTD
"Sajini", No.69, Old no.35, Basement, Ground & 1st floor, 12th main, Jayanagar 3rd Block, Bengaluru-560 011, Karnataka,
Tel: 080-26630776/26630501/26654305
Email Id: jayanagar@canfinhomes.com

22. BLR – K R Puram

CAN FIN HOMES LTD
No. 414, Pooja Complex, 2nd Floor
Old Madras Road, K R Puram,
Bengaluru – 560 036, Karnataka
Tel: 080 - 25619333
Email Id: krpuram@canfinhomes.com

23. BLR – Kanakapura Road

CAN FIN HOMES LTD
No.58, 1st Floor,
Sri Channakeshava Swamy Nilaya
6th Cross, Raghuvanahalli, Opp. YDIT
Kanakapura Road
Bengaluru – 560 062, Karnataka
Tel: 080-29751565
Email Id: kanakapura@canfinhomes.com

24. BLR-Kengeri

CAN FIN HOMES LTD
No. 445, Grand Floor, 4th main 5th cross,
Near Shreya Hospital,
Kengeri Satellite Town,
Bengaluru-560 060, Karnataka
Tel: 080-28486098/99
Email Id: kengeri@canfinhomes.com

25. BLR-Koramangala

CAN FIN HOMES LTD
No.586, 2nd Floor, 80 ft.road, Near
Police Station, Opp.Bethany School,
8th Block, Koramangala,
Bengaluru-560 095, Karnataka
Tel: 080-4115689/4112879
Email Id: koramangala@canfinhomes.com

26. BLR-Marathahalli

CAN FIN HOMES LTD
No 14, Ground Floor "Krishna Towers"
Outer Ring Road Cross (service road),
Marathahalli, **Bengaluru**-560 037,
Karnataka
Tel: 080-25401332
Email Id: marathahalli@canfinhomes.com

27. BLR-Nelamangala

CAN FIN HOMES LTD
1st Floor, Nandi Complex,
K.No.2151, Opp Taluka , Panchayath Office,
Subhash Nagar, Nelamangala,
Bengaluru-562 123, Karnataka
Tel: 080-27722664
Email Id: nelamangala@canfinhomes.com

28. BLR-Sahakarnagar

CAN FIN HOMES LTD
No. 116/3, 1st Floor, G Block,
60 Feet Road, Sahakarnagar,
Bengaluru-560 092, Karnataka
Tel: 080-23636425/23635730
Email Id: sahakarnagar@canfinhomes.com

29. BLR - Sarjapur

CAN FIN HOMES LTD
No.1569, 2nd Floor, Outer Ring Road
Sec-1, HSR Layout, Sarjapur Road
Bengaluru-560 102, Karnataka
Tel: 080 - 22583623/22583643
Email Id: sarjapur@canfinhomes.com

30. BLR-Uttarahalli

CAN FIN HOMES LTD
No. 39, Ground Floor,
Subramanyapura Main Road
Chikkalasandra, Near Prarthana School,
Uttarahalli
Bengaluru-560 061, Karnataka
Tel: 080-26394003/26394009
Email Id: uttarahalli@canfinhomes.com

31. BLR-Vijayanagar

CAN FIN HOMES LTD
No. 148/E, 1st Floor, Siddalingeswara
Towers 17th MAIN, East Of Chord Road,
Vijayanagar, **Bengaluru**-560 040, Karnataka
Tel: 080-23404965/23359162
Email Id: vijayanagar@canfinhomes.com

32. BLR-Yelahanka

No.1099, 1st Floor, 1st B Main Road,
16th B Cross, Newtown, Yelahanka
Bengaluru-560064, Karnataka
Tel: 080-28564502
Email Id: yelahanka@canfinhomes.com

33. Calicut

CAN FIN HOMES LTD
No. 18/1145 D, 1st Floor, K T Commercial
Complex, Jail Road, Calicut-673 004, Kerala
Tel: 0495-2704883/2704884
Email Id: calicut@canfinhomes.com

34. CBE - Gandhipuram

CAN FIN HOMES LTD
No. 439, Lawrance Complex, Cross Cut
Road, Gandhipuram, Coimbatore-641 012,
Tamil Nadu
Tel: 0422-2235977/2230163
Email Id: coimbatore@canfinhomes.com

35. CBE-P N Palyam

CAN FIN HOMES LTD
City Palace, 1st Floor, Railway Feeder Road,
Near LMW, P N Palyam
Coimbatore-641 020, Tamil Nadu
Tel: 0422-2693235
Email Id: pn.palyam@canfinhomes.com

36. Chandigarh

CAN FIN HOMES LTD
SCO-87, 1st Floor, Sector 47-D
Chandigarh-160 047, Panjab
Tel: 0172-2632925, 2632097
Email Id: chandigarh@canfinhomes.com

37. CHN-Ambattur

CAN FIN HOMES LTD
Old No. 29A, New No. 7A, Grand Floor,
High School Road, Secretriary Colony,
Ambattur, Chennai-600 053, Tamil Nadu
Tel: 044-26572050
Email Id: ambattur@canfinhomes.com

38. CHN-Anna Salai

CAN FIN HOMES LTD
No. 770/A, Spencer Tower Annexe
Anna Salai, Chennai-600 002, Tamil Nadu
Tel: 044-28497026/28496318
Email Id: chennai@canfinhomes.com

39. CHN-Chengalpattu

CAN FIN HOMES LTD
Plot No.28, Ground Floor,
Lawyer Krishnaswamy Street,
Vedachalam Nagar
Chengalpattu, Chennai – 603 001,
Tamil Nadu
Tel: 044 - 27426466
Email Id: chengalpattu@canfinhomes.com

40. CHN-Perungudi

CAN FIN HOMES LTD
Ground Floor, Grihalayaloganayaki,
Plot No.17, Door No.26/62,
1st Main Road, Tirumalai Nagar Annexe
Perungudi, Chennai-600 096, Tamil Nadu
Tel: 044-24965656
Email Id: omr@canfinhomes.com

41. CHN-Porur

CAN FIN HOMES LTD
No. 44/2, Somasundaram avenue
Sakthi Nagar Main Road,
Porur, Chennai-600 116, Tamil Nadu
Tel: 044-22520032
Email Id: porur@canfinhomes.com

42. CHN-Red Hills

CAN FIN HOMES LTD
No.7, Madhavaram High Road,
(Off GNT Road), Red Hills,
Chennai-600 052, Tamil Nadu
Tel: 044-26322077
Email id: redhills@canfinhomes.com

43. CHN-Sriperumbudur

CAN FIN HOMES LTD
No.122 -123, 1st Floor, XVB Building,
Gandhi Road, Sriperumbudur – 602 105,
Tamil Nadu
Tel :044 - 27162188
Email id: sriperumbudur@canfinhomes.com

44. CHN-Tambaram

CAN FIN HOMES LTD
No.52, 1st floor, Raj kamal complex,
Gandhi Road, Tambaram West
Chennai - 600045, Tamil Nadu
Tel: 044-22260600/22260640
Email id: tambaram@canfinhomes.com

45. CHN-Thiruvallur

CAN FIN HOMES LTD
No. 52, 1st Floor, TNHB, Kakalur Main Road,
Thiruvallur - 602 001, Tamil Nadu
Tel: 044 - 27666161
Email Id: thiruvallur@canfinhomes.com

46. Cochin

CAN FIN HOMES LTD
No. 39/3728, Vishnupriya, Manikkiri,
M G Road, Pallimukku, Ernakulam,
Cochin-682 016, Kerala
Tel: 0484-2356855/2356826
Email Id: cochin@canfinhomes.com

47. Davangere

CAN FIN HOMES LTD
Door No.633, 1st Floor, K B Extension,
Opp to Bellary Siddamma Park,
Trishul Talkies Road,
Davangere - 577 002, Karnataka
Tel: 0819-2270345/2235006
Email Id: davangere@canfinhomes.com

48. Dehradun

CAN FIN HOMES LTD
Shanthi Plaza, 1st floor, GMS Road,
Near Wadia Institute
Dehradun-248001, Uttarakhand
Tel: 0135 -2520242
Email Id: dehradun@canfinhomes.com

49. Dharuhera

CAN FIN HOMES LTD
1st Floor, Above Rewari Co-opprative Bank
Branch Near Hanuman Mandir,
Sohna Road,
Dharuhera - 123 106, Haryana
Tel: 01274 - 242381
Email Id: dharuhera@canfinhomes.com

50. Dindigul

CAN FIN HOMES LTD
No. 91, Sona Towers, Shop no. 21-23,
Palani Road,
Dindigul - 624 001, Tamil Nadu
Tel: 0451 - 2433272 ,
Email Id: dindigul@canfinhomes.com

51. Eluru

CAN FIN HOMES LTD
Door No. 25-13-4/1, N R Plaza,
Narasimharaopet,
More Super Market Road,
Eluru-534006, Andhra Pradesh
Tel: 08812-245245
Email Id: eluru@canfinhomes.com

52. Erode

CAN FIN HOMES LTD
No. 64/5,GRDI Complex, 2nd Floor,
Perundurai Road, Erode
Erode -638011, Tamil Nadu
Tel: 0424 - 2255563
Email Id: erode@canfinhomes.com

53. Goa

CAN FIN HOMES LTD
No. 307&308, 3rd Floor, Kamat Towers
Patto, Panjim, Goa-403 001
Tel: 0832-2438517,2438518
Email Id: goa@canfinhomes.com

54. Guntur

CAN FIN HOMES LTD
No. 4-1-1, 1st floor, Gayatri Plaza,
Main Road, Koritipadu, Guntur-522 007
Andhra Pradesh
Tel: 0863-2333064
Email Id: guntur@canfinhomes.com

55. Gwalior

CAN FIN HOMES LTD
1st Floor, Business Centre,
Plot.No.31, Near Income Tax, City centre
Gwalior - 474 009, Madhya Pradesh
Tel: 0751-2233865
Email Id: gwalior@canfinhomes.com

56. Hassan

CAN FIN HOMES LTD
EWS-321, 1st Floor, SLR Complex,
9th cross, Opp Mini Vidhanasoudha,
1st Stage, Kuvempunagar Extension,
Hassan-573201, Karnataka
Tel: 08172 - 263326
Email Id: hassan@canfinhomes.com

57. Hosur

CAN FIN HOMES LTD
Door No 74, 1st Floor, 3rd Cross,
Kamarajar Colony, Near Balaji Theatre,
Hosur-635 109, Tamil Nadu
Tel: 04344-220001/220040
Email Id: hosur@canfinhomes.com

58. Hubli

CAN FIN HOMES LTD
Ground Floor, Eureka Junction,
Giriraj Annexe, Circuit House Road,
Hubli-580 029, Karnataka
Tel: 0836-2256390,2256464
Email Id: hubli@canfinhomes.com

59. HYD-Gachibowli

CAN FIN HOMES LTD
Door No. 2-52/88, 2nd Floor, Sai Teja
Enclave,
Indira Nagar, Gachibowli,
Hyderabad - 500 032, Telangana
Tel: 040-23000030
Email Id: gachi.bowli@canfinhomes.com

60. 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,
Hyderabad-500067, Telangana
Tel: 040-27164210
Email Id: kompally@canfinhomes.com

61. HYD-Kukatpally

CAN FIN HOMES LTD
Unit No. 201, Vijaya Sai Towers,
Opp. BJP Office, Kukatpally Main Road,
Hyderabad - 500 072, Telangana
Tel: 040 - 48519188/48519288
Email Id: kukatpally@canfinhomes.com

62. HYD - LB Nagar

CAN FIN HOMES LTD
No. 3-11-413/2, Shiva Ganga Colony,
LB Nagar, Hyderabad - 500 074, Telangana
Tel: 040 - 49501072
Email Id: lbnagar@canfinhomes.com

63. HYD-Nampally

CAN FIN HOMES LTD
Doyen Trade House, 5-9-100
Public Garden Road, Nampal
Hyderabad-500 001, Telangana
Tel: 040-23233385/23231626
Email Id: hyderabad@canfinhomes.com

64. HYD - RC puram

CAN FIN HOMES LTD
Plot No. 28 Brahmarambika Colony,
Beeramguda, Ramachandrapuram,
Hyderabad - 502 032, Telangana
Tel: 08455 - 280777
Email Id: ramachandrapuram@canfinhomes.com

65. HYD-Tarnaka

CAN FIN HOMES LTD

No. 12-13-416/1, 2nd Floor, Street No. 1,
Tarnaka, Secunderabad,
Hyderabad-500 017, Telangana

Tel: 040-27005553

Email Id: taranaka@canfinhomes.com

66. Indore

CAN FIN HOMES LTD

Kuber House', No. 162, 1st Floor,
Kanchan Bagh Main Road,
Near Geeta Bhawan Square,
Indore - 452 001, Madhya Pradesh

Tel: 0731 -2521194/95

Email Id: indore@canfinhomes.com

67. Jabalpur

CAN FIN HOMES LTD

No.78, 1st Floor, J R Sama Complex,
Narmada Road
Gorakpur, Jabalpur - 482 001,
Madhya Pradesh

Tel: 0761-2411886

Email Id: jabalpur@canfinhomes.com

68. Jaipur

CAN FIN HOMES LTD

Office No.S-14 to S-21, 2nd Floor,
GeejgarhTowers, Hawa Sadak,
Jaipur-302006, Rajasthan

Tel: 0141-2211644/2211645

Email Id: jaipur@canfinhomes.com

69. Jodhpur

CAN FIN HOMES LTD

No. 301, 3rd floor, Front side,
Sabu Tower, 2nd Chopasani Road,
Jodhpur, Rajasthan.

Tel: 0291-2640128

Email Id: jodhpur@canfinhomes.com

70. Jpr Mansarovar

CAN FIN HOMES LTD

No. 23/49, 1st floor, Near Cricket Stadium,
Madhyam Marg, Mansarovar,
Jaipur- 302020, Rajasthan

Tel: 0141-2399862

Email Id: mansarovar@canfinhomes.com

71. Kakinada

CAN FIN HOMES LTD

Door No.11-14-11st floor, M U Towers,
Near Balakripa,
Sundari Temple, Ramaraopeta,
Kakinada-533 001, Andhra Pradesh

Tel: 0884-2377898

Email Id: kakinada@canfinhomes.com

72. Kanpur

CAN FIN HOMES LTD

Block No.63/3, Mall Road,
Harbans Mohal, Kanpur - 208001
Uttar Pradesh

Tel: 0512-2302067

Email Id: kanpur@canfinhomes.com

73. Karimnagar

CAN FIN HOMES LTD

Door No. 2-3-31, Lahoti House,
1st Floor, Bhoiwada,
Karimnagar-505001, Telangana

Tel: 0878-2243299

Email Id: karimnagar@canfinhomes.com

74. Karnal

CAN FIN HOMES LTD

1st Floor, SCO-2, Sec-9,
HUDA Market, Karnal-132001, Haryana

Tel: 0184-2231555

Email Id: karnal@canfinhomes.com

75. Karur

CAN FIN HOMES LTD

MM Complex, 1st Floor,
No. 9/1, Mohan Store Layout
Near Kannan Departmental Store,
Sengunthapuram,
Karur-639 002, Tamil Nadu

Tel: 04324-230970

Email Id: karur@canfinhomes.com

76. Khammam

CAN FIN HOMES LTD

Door No. 11 - 5 - 12/6, 1st Floor,
Wyra Road, Z.P. Centre
Near KVM High School,
Khammam - Telengana

Tel: 08742-238161

Email Id: khammam@canfinhomes.com

77. Kota

CAN FIN HOMES LTD

No. 1-C-18, SFS, Front Side, 1st Floor,
Sheela Choudhary Road, Talwandi,
Kota-324 005, Rajasthan

Tel: 0744-2426600

Email Id: kota@canfinhomes.com

78. Kumbakonam

CAN FIN HOMES LTD

No. 137, 1st Floor
Gandhi Adigal Salai, Kumbakonam - 612001
Tamil Nadu

Tel: 0435 2400021

Email Id: kumbakonam@canfinhomes.com

79. Kurnool

CAN FIN HOMES LTD

Shop No. 18 & 19, 1st Floor,
T. J. Shopping Mall, SBI Circle
R. S. Road, Kurnool - 518004

Andhra Pradesh

Tel: 08518 - 222335

Email Id: kurnool@canfinhomes.com

80. Lucknow

CAN FIN HOMES LTD

No. 3, Shahnajaf Road, 1st Floor,
Speed Building, Heazrat Ganj
Lucknow-226 001, Uttara pradesh

Tel: 0522-4065123/2230331

Email Id: lucknow@canfinhomes.com

81. Madurai

CAN FIN HOMES LTD

No. 564/1, Ground Floor, Sakthi Towers,
12th East Cross Street,
Behind Naveen Bakery
Anna Nagar, Madurai-625 020, Tamil Nadu

Tel: 0452-2524400/2539799

Email Id: madurai@canfinhomes.com

82. Mandya

CAN FIN HOMES LTD

No.1689, 1st Floor,
100 Feet Road (Double Road),
Vidyanagar,

Mandya - 571 401, Karnataka

Tel: 0823 - 2222454

Email Id: mandya@canfinhomes.com

83. Mangalagiri

CAN FIN HOMES LTD

No. 427-428, Ankamma's Plaza, 1st Floor,
Middle Centre, Tenali Road
Mangalagiri, Guntur - 522 503

Andhra Pradesh

Tel: 08645-234589

Email Id: mangalagiri@canfinhomes.com

84. Mangalore

CAN FIN HOMES LTD

Ground Floor, Canara Bank Building
Balmatta Road,
Mangalore-575 001, Karnataka

Tel: 0824-2440193/2442593

Email Id: mangalore@canfinhomes.com

85. Meerut

CAN FIN HOMES LTD

No. 5, Pinnacle Tower, 1st, Floor
Vaishali Corner, Ghar Road
Meerut-250 002, Uttar pradesh

Tel: 0121-4060006

Email Id: meerut@canfinhomes.com

86. Mumbai Boisar

CAN FIN HOMES LTD
1st Floor, Yash Siddi Residency,
Palghar Road,
Navapur Naka, Boisar-401501,
Maharashtra
Tel: 0844-6664000
Email Id: boisar@canfinhomes.com

87. Mumbai - Borivili

CAN FIN HOMES LTD
No.101, 1st Floor,
"Ganjawalla Elegance"
Above Panjab National Bank,
Ganjanwalla Lane, Borivali West,
Mumbai -400 092, Maharashtra
Tel: 022-28924369 / 28925385
Email Id: mumbai@canfinhomes.com

88. Mumbai - Kalyan

CAN FIN HOMES LTD
No. 101, Om Supreme Building,
Near D-Mart, Bail Bazar
Kalyan-421301, Maharashtra
Tel: 0251-2304040
Email Id: kalyan@canfinhomes.com

89. Mumbai - Panvel

CAN FIN HOMES LTD
Ground Floor, Shreeji Sangh C.H.S LTD ,
Shop No 23,
Plot No 15 & 16, Sector-7, Khanda Colony,
New Panvel-410206, Maharashtra
Tel: 022-27459355
Email Id: panvel@canfinhomes.com

90. Mumbai - Vashi

CAN FIN HOMES LTD
"GIRIRAJ", I Floor, SS-4/210 & 212
(Opp Meghraj Multiplex),
Sector-2, Vashi
Navi Mumbai-400 703, Maharashtra
Tel: 022-27820168/27820169
Email Id: navimumbai@canfinhomes.com

91. Mysore

CAN FIN HOMES LTD
No. 16, 1st Floor, Sita Vilas Road,
Near Marimallappa School,
Chamaraja Mohalla,
Mysore-570 024, Karnataka
Tel: 0821-2429699/2422377
Email Id: mysore@canfinhomes.com

92. Nagpur

CAN FIN HOMES LTD
Plot No. M-3, 1st Floor,
West Side WHC main road,
Near Aath Raasta Square,
Scientific Layout, Laxminagar,
Nagpur - 440022, Maharashtra
Tel: 0712-2233898
Email Id: nagpur@canfinhomes.com

93. Namakkal

CAN FIN HOMES LTD
No.387/1, Aarthi Complex,
1st Floor, Salem Road,
Namakkal – 637001, Tamil Nadu
Tel: 04286-274252
Email Id: namakkal@canfinhomes.com

94. Nashik

CAN FIN HOMES LTD
No.F-12, 1st Floor, Suyojit Sankul
Above Bafna Jewellers, Saharanpur Road,
Nashik – 422002 Maharashtra
Tel: 0253 2318305
Email Id: nashik@canfinhomes.com

95. Ncr - Faridabad

CAN FIN HOMES LTD
No. 59-60, 1st Floor, Neelam Bata Road,
NIT Opp RG Stone Hospital,
Faridabad-121001, Haryana
Tel: 0129-2436596/2436527
Email Id: faridabad@canfinhomes.com

96. Ncr - Gurgaon

CAN FIN HOMES LTD
SCO No. 34 & 35, 1st Floor,
Sector 10-A, (Above Canara BANK)
Gurgaon-122002, Haryana
Tel: 0124-2370760
Email Id: gurgaon@canfinhomes.com

97. Ncr - New Delhi

CAN FIN HOMES LTD
1st Floor, DDA BUILDING,
Near Paras Cinema, Nehru Place,
New Delhi-110 019
Tel: 011-26487529/26435815/26430236
Email Id: delhi@canfinhomes.com

98. Ncr - Noida

CAN FIN HOMES LTD
Plot No. C-3, 1st Floor
Canara Bank Building,
Sector – 1, Nearest Metro Station Sector 15
Noida – 201 301, Uttarpradesh
Tel: 0120-2970164 / 65 / 67
Email Id: noida@canfinhomes.com

99. Ncr - Pitampura

CAN FIN HOMES LTD
DP-11, 1st Floor, Local Shopping Complex,
Above Canra Bank E-Lounge Pitampura,
New Delhi-110 034
Tel: 011-27315619
Email Id: pitampura@canfinhomes.com

100. Ncr - Rohtak

CAN FN HOMES LTD
1st Floor, Anand Plaza, Shop No 104
Near Chottu Ram Chowk,
Rohtak – 124 001, Haryana
Tel: 01262-257852
Email Id: rohtak@canfinhomes.com

101. Ncr - Sonapat

CAN FIN HOMES LTD
SCO-3, 1st Floor,
Main Market, Sector – 14,
Sonapat – 131 001, Haryana
Tel: 0130-2235101
Email Id: sonapat@canfinhomes.com

102. Ncr Ghaziabad

CAN FIN HOMES LTD
C-18 1st Floor, RDC Rajnagar,
Ghaziabad 201002 , Uttarpradesh
Tel: 0120 – 2825555
Email Id: ghaziabad@canfinhomes.com

103. 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 – 201 308, Delhi
Tel: 0120 - 4569974
Email Id: greaternoida@canfinhomes.com

104. Nellore

CAN FIN HOMES LTD
Door No. 15-276, 1st floor,
Above Syndicate Bank,
Brundavanam,
Nellore – 524 001, Andhra Pradesh
Tel: 0861 – 2334781
Email Id: nellore@canfinhomes.com

105. Ongole

CAN FIN HOMES LTD
Door No. 7-331(4), 1st floor,
Above State Bank of Mysore,
Mangamooru Donka,
Ongole – 523 002 ,Andhra Pradesh
Tel: 08592-282023
Email Id: ongole@canfinhomes.com

106. Patna

CAN FIN HOMES LTD
"Deep House", 2nd Floor
Nala Road (Near Shiva Mandir)
Patna – 800 004, Bihar
Tel: 0612-2721046,2721047
Email Id: patna@canfinhomes.com

107. Pondicherry

CAN FIN HOMES LTD
Door No.115, 1st Floor, Vysial Street,
Pondicherry-605 001, Tamil Nadu
Tel: 0413-2338447
Email Id: pondicherry@canfinhomes.com

108. Pune

CAN FIN HOMES LTD
No. 101, UMA Apartment, CTS-2027, Tilak
Road,
Near S.P. College, 1st Floor, Sadashiv Peth,
Opposite Grahak Peth
Pune - 411030., Maharashtra
Tel: 020-24321030/24321031
Email Id: pune@canfinhomes.com

109. Raipur

CAN FIN HOMES LTD
Sai Towers Building, I floor
Besides Azad Chowk Police Station,
Amapara, G E Road ,
Raipur-492 001,Chattisgarh
Tel: 0771-2531100/4097077
Email Id: raipur@canfinhomes.com

110. Rajahmundry

CAN FIN HOMES LTD
Door No. 75-6-38, 1st Floor, B V R Complex
Prakash Nagar , Rajahmundry – 533103,
Andhra Pradesh
Tel: 0883-2474781
Email Id: rajahmundry@canfinhomes.com

111. Salem

CAN FIN HOMES LTD
No. 1, Johnson Ratan Road,
Hastampatty,
Salem-636 007, Tamil Nadu
Tel: 0427-2420017
Email Id: salem@canfinhomes.com

112. Shimoga

CAN FIN HOMES LTD
No. 599, 1st Floor, "MARUTHI",
60 Feet Main Road, Police Chowki Circle,
Vinobanagar,
Shimoga-577 204, Karnataka
Tel: 08182-254110
Email Id: shimoga@canhomes.com

113. Surat

CAN FIN HOMES LTD
U-16, 1st Floor, Atlanta Shopping Mall,
Near VIP Road, Bhimrad Canal Road
Althan, Surat - 395017, Gujarat
Tel: 8000976250
Email Id: surat@canfinhomes.com

114. Thoothukudi

CAN FIN HOMES LTD
No. 69D/4, Diya Corner, 1st Floor
Second Street, Thoothukudi - 628003
Tamil Nadu
Tel: 0461 2333636
Email Id: thoothukudi@canfinhomes.com

115. Tiruchengode

CAN FIN HOMES LTD
No.86/17, Royal Towers, Sankari Main Road,
Seetarampalayam (post),
Opp Pullikara Mill,
Tiruchengode 637 209, Tamil Nadu
Tel: 04288 - 255057
Email Id: tiruchengode@canfinhomes.com

116. Tirunelveli

CAN FIN HOMES LTD
Thiripura Arcade, 3rd floor, No. 75-A,
Trivandrum High Road, Palayamkottai,
Tirunelveli – 627 002, Tamil Nadu
Tel: 0462-2578567
Email Id: tirunelveli@canfinhomes.com

117. Tirupati

CAN FIN HOMES LTD
Door No. 19-8-169, SBI Colony, Near Vijaya
Bharathi TVS Show Room ,
Tirupati – 517 501, Andhra Pradesh
Tel: 0877-2242692
Email Id: tirupati@canfinhomes.com

118. Tirupur

CAN FIN HOMES LTD
No. 302/3, 1st Floor, Above Canara Bank,
Palladam Road, Tirupur 641604,
Tamil Nadu
Tel: 0421 - 2215977
Email Id: tirupur@canfinhomes.com

119. Trichur

CAN FIN HOMES LTD
1st Floor, Marva Arcade,
Machingal Lane, M G ROAD,
Trichur-680 001, Kerala
Tel: 0487-2332421/2331952
Email Id: trichur@canfinhomes.com

120. Trichy

CAN FIN HOMES LTD
B-11, 2nd Floor, Star Towers
Thillai Nagar
Trichy-620 018, Tamil Nadu
Tel: 0431-2744100/2744200
Email Id: trichy@canfinhomes.com

121. Trivandrum

CAN FIN HOMES LTD
No.28/2452, Ground Floor, M G Road
Trivandrum-695 001, Kerala
Tel: 0471-2477446/2461446
Email Id: trivandrum@canfinhomes.com

122. Tumkur

CAN FIN HOMES LTD
1st Floor, Sri Seetharama Temple Building,
Someswarapura Main Road
Tumkur-572 102, Karnataka
Tel: 0816-2251514
Email Id: tumkur@canfinhomes.com

123. Udaipur

CANFIN HOMES LTD
No. 101, 1st Floor,Plot No. 643,
Subhash Villa Hiranmagri Sec 13,
Udaipur- 313001, Rajasthan
Tel: 0294-2485770
Email Id: udaipur@canfinhomes.com

124. Udupi

CAN FIN HOMES LTD
"Shri Malshi" 1st Floor ,
Court Back Road
Udupi – 576 101, Karnataka
Tel: 0820 – 2520644
Email Id: udupi@canfinhomes.com

125. Varanasi

CAN FIN HOMES LTD
Door No. 58/12, A-2, 2nd Floor
"Jasmaa Complex", Above Ksheer Sagar,
Gandhi Nagar, Sigra, Varanasi-221010,
Uttarpradesh
Tel: 0542-2220221
Email Id: varanasi@canfinhomes.com

126. Vellore

CAN FIN HOMES LTD
No. 99D, Vellore Road, Katpadi,
Vellore – 632 007, Tamil Nadu
Tel: 0416-2242013
Email Id: vellore@canfinhomes.com

127. Vijayawada

CAN FIN HOMES LTD
1st Floor, No.40-5-19/17,
Near Siddhartha College
Bus Stop, Mogalrajpuram
Vijayawada-520 010, Andhra Pradesh
Tel: 0866-2474781/2481731
Email Id: vijayawada@canfinhomes.com

128. Virudhunagar

CAN FIN HOMES LTD
Door No.7/3B(1st Floor), APV Complex,
Pullukaorani Road,
Virudhunagar 626 001, Tamil Nadu
Tel: 04562-246566
Email Id: virudhunagar@canfinhomes.com

129. Vizag

CAN FIN HOMES LTD
Ground Floor, Door No: 48-8-4
Behind Titan Showroom,
Chaitanya College Lane, Dwarakanagar,
Visakhapatnam-530016, Andhra Pradesh
Tel: 0891-2746736, 2591167
Email Id: visakhapatnam@canfinhomes.com

130. Vizag Steel Plant

CAN FIN HOMES LTD
Door No. 31- 27 -56/7,
1st Floor, Opp. Annapurna theatre,
Kurmannapalem,
Visakhapatnam Steel Plant – 530046,
Andhra Pradesh
Tel: 0891 -2747599
Email Id: vizagsteelplant@canfinhomes.com

131. Vizianagaram

CAN FIN HOMES LTD
Plot No. 8 Door No.8-12-5, Ground Floor,
Opp. CTO Office
Siddharthanagar, Vizianagaram - 535002
Andhra Pradesh
Tel: 08922 237599
Email Id: vizianagaram@canfinhomes.com

132. Vjy Gollapudi

CAN FIN HOMES LTD
Door No. 76-14-95/11, 1st Floor APSRTC
Workshop Road
Bhavanipuram, Gollapudi, Vijayawada –
520012, Andhra Pradesh
Tel: 0866 - 6888668
Email Id: gollapudi@canfinhomes.com

133. Warangal

CAN FIN HOMES LTD
Kandakatla's Gateway,
House No.15-11-503 & 504, KU Road,
Naimnagar,Hanamkonda,
Warangal-506001, Telangana
Tel: 0870-2442166
Email Id: warangal@canfinhomes.com

LIST OF AFFORDABLE HOUSING LOAN CENTERS

1. A S Rao Nagar

CAN FIN HOMES LTD
1st Floor, Door No.1-8-4/2, North
Kamalanagar,
E.C.I.L.(Post), A S Rao Nagar
Hyderabad – 500 062, Telangana
Tel: 040-27148161
Email Id: asraonagar@canfinhomes.com

2. Attibele

CAN FIN HOMES LTD
Site No. 1, D-1014, 1st Floor,
Opp Syndicate Bank,
Attibele Circle, Sarjapur Road, Attibele,
Bengaluru – 562107, Karnataka
Tel: 080-27844440
Email Id: attibele@canfinhomes.com

3. Batlagundu

No. 5 - 1, Anu Towers, 1st Floor,
Madurai Main Road, Opp. SBI
Near Kalliamman Temple,
Batlagundu - 624202, Tamil Nadu
Tel: 04543 245057
Email Id: batlagundu@canfinhomes.com

4. Dharwad

CAN FIN HOMES LTD
No. 1, 1st Floor, Diamond Corner Complex,
Near Maruti Temple,
Line Bazar, Dharwad - 580001, Hubballi,
Karnataka
Tel: 0836 - 2443507
Email Id: dharwad@canfinhomes.com

5. Doddaballapura

CAN FIN HOMES LTD
Shop No. 1, Ground Floor,
Ganeshappa Complex, (Near Canara Bank),
Gowribidanur Road,
Mallathalli Post, Palanajogihalli,
Doddaballapur - 561203, Karnataka
Tel: 080 27622134
Email Id: doddaballapur@canfinhomes.com

6. Ghatkesar

CAN FIN HOMES LTD
Shop No 1 and 2, House No. 5122, 1st Floor,
Canara Nagar
Peerzadiguda, Opp. Anutex, Medipalli,
Mandal,
Medchal-Malkajgiri, Ghatkesar
Telangana-500039.
Tel: 040-29709230
Email Id: ghatkesar@canfinhomes.com

7. Gobichettipalayam

CAN FIN HOMES LTD
Block-C Room No 23A/3, 1st Floor,
Santhan Kanthan Complex,
Opp TNSTC Depot, Erode Road,
Gobichettipalayam, Erode-638476, Tamil
Nadu
Tel: 04285-222446
Email Id: gobichettipalayam@canfinhomes.com

8. Jhotwara

CAN FIN HOMES LTD
S-61 & 62, Laxman Rekha Scheme No.17,
Nangal Jaisa Bohra, Jhotwara,
Jaipur-302012, Rajasthan
Tel: 0141-2345578
Email Id: jhotwara@canfinhomes.com

9. Mandideep

CAN FIN HOMES LTD
B-202, 1st Floor, Indra Nagar, Mandideep,
Bhopal – 462046, Madhya Pradesh
Tel: 07480-233922
Email Id: mandideep@canfinhomes.com

10. Manesar

CAN FIN HOMES LTD
1st Floor, Shop No. F - 14
Raheja Square,
Manesar - 122051, Haryana
Tel: 0124-2290152
Email Id: manesar@canfinhomes.com

11. Palwal

CAN FIN HOMES LTD
1st Floor, Ashirwad Plaza, Opp Nishant
Public School Rasolpur Road, Palwal,
Faridabad-121102, Haryana
Tel: 0127-5240033
Email Id: palwal@canfinhomes.com

12. Pithampur

CAN FIN HOMES LTD
G-1, 1st Floor, Jeevan Complex,
Mhow-Neemuch Road
Pithampur, Dhar Madhya Pradesh - 454774
Tel: 07292-298273
Email Id: pithampur@canfinhomes.com

13. Ramanagaram

CAN FIN HOMES LTD
Sadvi Complex, No. 3 1106/624/1, 1st Floor,
Vivekananda Nagar
B. M. Road, Ramanagaram - 562159,
Karnataka
Tel: 8861027711
Email Id: ramanagaram@canfinhomes.com

14. Rewari

CAN FIN HOMES LTD
SCO – 119, 1st Floor, Brass Market,
Rewari - 123401
Haryana
Tel: 01274 - 223015
Email Id: rewari@canfinhomes.com

15. Sangareddy

CAN FIN HOMES LTD
Shop No. 6, House No. MIG – 31, Phase II,
Gram panchayat No. 2 – 66,
Pothireddypally Village,
Sangareddy Mandal, Medak - 502001,
Telangana
Tel: 08455 277550
Email Id: sangareddy@canfinhomes.com

16. Shoranur

CAN FIN HOMES LTD
Malutty Shopping Corner, Post Office Road,
Shoranur, Palakkad-679121, Kerala
Tel: 0466-2224440
Email Id: shoranur@canfinhomes.com

17. Tenali

CAN FIN HOMES LTD
House No.9-94/1, Railway Station Road,
Angalakuduru
Tenali - 522 211
Andhra Pradesh
Tel: 08644 225838
Email Id: tenali@canfinhomes.com

18. Thanisandra

CAN FIN HOMES LTD
No.48, Ground Floor, 5th Main Road,
Central Excise Layout,
Shivaram Karanth Nagar,
Bengaluru- 560077, Karnataka
Tel: 080-28443415
Email Id: thanisandra@canfinhomes.com

19. Thirumangalam

CAN FIN HOMES LTD
Door No.46/1, HDFC Bank Building,
Opp MEPCO Schlenk Primary School,
Madurai Main Road,
Thirumangalam Madurai – 625706,
Tamil Nadu
Tel: 04549-282499
Email Id: thirumangalam@canfinhomes.com

20. Whitefield

CAN FIN HOMES LTD
No.1, 1st floor, Hagadur colony,
Immadihalli Main Road,
Near Rama Temple, Whitefield,
Bengaluru – 560066, Karnataka
Tel: 080 28454501
Email Id: whitefield@canfinhomes.com

LIST OF SATELLITE OFFICES

1. Aluva (Cochin branch)

CAN FIN HOMES LTD
Door No. 352/2, 1st Floor,
Alookkaran Complex, Market Road
Aluva, Cochin - 683101, Kerala
Tel: 0484-2632826
Email Id: aluva@canfinhomes.com

2. Bannerghatta Road (Jayanagar)

CAN FIN HOMES LTD
No.4 - 16/44/1, 1st Floor, Anurgha Building,
Singh Layout, Arekere, Near Paramount
Apartments, Bannerghatta Road,
Bengaluru - 560076 Karnataka
Tel: 080-48519090
Email Id: bgroad@canfinhomes.com

3. Cox Town (Cunningham Road)

CAN FIN HOMES LTD
No. 47, Ground Floor, Wheeler Road
Cox Town, Bengaluru - 560005 Karnataka
Tel: 080 25466622
Email Id: coxtown@canfinhomes.com

4. Durg (Raipur)

CAN FIN HOMES LTD
TrilokPlaza, Mezzanine Floor, Opp.
Dr.Dhillon'sClinic, Gurudwara Road
Durg , Chhattisgarh - 491001
Tel: 0788 4083067
Email Id: durg@canfinhomes.com

5. Kangeyam (Tirupur)

CAN FIN HOMES LTD
No. 5G, 1st Floor, Rajaji Street,
Above Indian Bank
Kangeyam, Tirupur- 638701, Tamil Nadu
Tel: 04257 221414
Email Id: kangeyam@canfinhomes.com

6. Kazhakuttom (Trivandrum)

CAN FIN HOMES LTD
No. 2, Ground Floor, S S Complex,
Near Police Station ,Kazhakuttom,
Trivandrum - 695582, Kerala
Tel: 0471-2415446
Email Id: kazhakuttom@canfinhomes.com

7. Cuddalore (Pondicherry)

No. 106, 1st Floor, Nethaji Road
Manjakuppam, Cuddalore - 607001
Tamil Nadu
Tel: 04142 232323
Email Id: cuddalore@canfinhomes.com

8. Neyyattinkara (Trivandrum)

CAN FIN HOMES LTD
No. XII / 504 - E, 1st Floor, Asif Centre,
Alummoodu
Neyyattinkara, Trivandrum - 695121 Kerala
Tel: 0471 220117
Email Id: neyattinkara@canfinhomes.com

9. Oddanchatram (Dindigul)

CAN FIN HOMES LTD
No. 276/1-9, Sri Sri Sakthi Complex, 1st Floor
Opp. Bus Stand, Oddanchatram - 624619
Tamil Nadu
Tel: 04553 244196
Email Id: oddanchatram@canfinhomes.com

10. Patia (Bhubaneswar)

CAN FIN HOMES LTD
Plot No.HIG-191, L-1153/97,
P S Chandrashekarapur, Kanan Vihar
Patia, Bhubaneswar - 751 024, Odisha
Email Id: patia@canfinhomes.com

11. Peelamedu (Gandhipuram)

CAN FIN HOMES LTD
No. 88,'D' 1st Floor, E S Corner, Avinashi
Road, Hope College
Peelamedu, Coimbatore - 641004
Tamil Nadu
Tel: 0422-2591563
Email Id: peelamedu@canfinhomes.com

12. Rajarajeshwari Nagar (Vijayanagar)

CAN FIN HOMES LTD
Shop No.9, Site No.20, CMC Khata No.26,
Ideal Homes Township
Rajarajeshwari Nagar,
Bengaluru - 560 098 Karnataka
Tel: 080 28606080
Email Id: rajarajeswarinagar@canfinhomes.com

13. Thiruverambur (Trichy)

No.9 & 10, Riyaz Complex, 1st Floor,
Erumbeeswarar Nagar,
Trichy-Tanjore Main Road
Thiruverambur, Trichy - 620013 Tamil Nadu
Tel: 0431 2511100
Email Id: thiruverambur@canfinhomes.com

14. Velur (Karur)

CAN FIN HOMES LTD
No.13(1), 1st Floor, Old Bypass Road,
Paramathi, Velur,
Namakkal District - 638 182 Tamil Nadu
Tel: 04268-222068
Email Id: velur@canfinhomes.com

15. Vidyaranyapura (Sahakarnagar)

CAN FIN HOMES LTD
No. 101,Ground Floor, 2nd Main, 3rd Cross,
AMS Layout, Vidyaranyapura,
Bengaluru - 560097 Karnataka
Tel: 080-23649967
Email Id: vidyaranyapura@canfinhomes.com

16. Vijayanagar 2nd Phase (Mysore)

CAN FIN HOMES LTD
No.4999, 1st Floor, 4th Stage,
Devaraja Mohalla Vijayanagar 2nd Phase,
Mysore - 570017 Karnataka
Email Id: vijayanagar_mysuru@canfinhomes.com

17. Yeshwanthpur (Cunningham Road)

CAN FIN HOMES LTD
Shop No.7, No.580, Ground Floor,
Ramachandra complex, 9th Cross,
1st main Yeshwanthpur,
Bengaluru - 560 022 Karnataka
Tel: 080-23370023
Email Id: yeshwanthpur@canfinhomes.com

NOTES

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

