



## “Can Fin Homes Limited”

July 19, 2023

**Management:** Mr. K Satyanarayana Raju – Chairman (Promoter) Managing Director  
And CEO, Canara Bank  
Mr. Suresh S Iyer – Managing Director and CEO  
Mr. Ajay Kumar Singh – Deputy Managing Director  
Mrs. Shubhalakshmi Panse – Independent Director  
Mr. Ajai Kumar – Independent Director  
Mr. Anup Sankar Bhattacharya – Independent Director  
Mr. Arvind Narayan Yennemadi – Independent Director  
Mr. Murali Ramaswami – Independent Director  
Mrs. Veena G Kamath, Company Secretary

**Moderator:**

Dear Shareholders, Good morning and warm welcome to all of you to the 36th Annual General meeting of Can Fin Homes Limited through video conferencing. For smooth conduct of the meeting, members will be in mute mode, and audio and video will be enabled when they will speak at the AGM as per the pre-registration.

Please note that, as per the requirements, the proceedings of the Annual General Meeting will be recorded and will be made available on the website of the company. Over to Mrs. Veena G Kamath, Company Secretary of Can Fin Homes Limited.

**Veena G Kamath:**

Good morning Ladies and Gentlemen. I welcome all the members, our Chairman, Managing Director, Deputy Managing Director and all the Board members, Partners from B K Ramadhyani & Co LLP and B Srinivasa Rao & Co., our Statutory Auditors, our Secretarial Auditor, the Scrutinizer, our Tax Consultants, special invitees and the Key Managerial Personnel of the Company to this 36th Annual General Meeting of Can Fin Homes Limited on this Nineteenth day of July 2023, Wednesday.

Our Chairman Shri K Satyanarayana Raju, is the Managing Director and CEO of Canara Bank. He is a non-executive promoter Director on the Board of our Company. He is also the Chairman of the Corporate Social Responsibility Committee of the Board. Our Chairman is participating in this meeting from the Board Room of the Company.

I request our Chairman Shri K Satyanarayana Raju to preside over the Meeting.

**K Satyanarayana Raju:**

Dear shareholders, I welcome you all to this meeting. This 36th Annual General Meeting of Can Fin Homes Ltd. is being held through video conferencing in accordance with the circulars and guidelines issued by the Ministry of Corporate Affairs and the Securities and Exchange Board of India.

Let me introduce you to the members of the Board of your company participating in this meeting. We have with us Shri Suresh S Iyer, He is the Managing Director and CEO of the Company. He is the Chairman of Management Committee and a member of Stakeholders Relationship Committee, Risk Management Committee, Corporate Social Responsibility Committee and IT Strategy Committee. He is joining this meeting from the Board Room of the Company.

Shri Ajay Kumar Singh is the Deputy Managing Director of the Company. He is a DGM in Canara Bank. He is a member of the Corporate Social Responsibility Committee, Risk Management Committee, IT Strategy Committee and Management Committee. He is also joining from the Board Room of the company.

Shri Debashish Mukherjee is the Executive Director of Canara Bank. He is the Chairman of the Risk Management Committee, member of the Audit Committee and Nomination Remuneration & HR Committee of the Company. Due to unavoidable reasons, he could not join us today.

Shrimati Shubhalakshmi Panse, former Chairperson and Managing Director of erstwhile of Allahabad Bank. She is an Independent Director. She is the Chairperson of Nomination Remuneration and HR Committee and a member of the Audit Committee, Risk Management Committee, Stakeholders Relationship Committee and Management Committee. Madam is

participating from Pune.

Shri Ajai Kumar, former Managing Director and CEO of Corporation Bank. He is an Independent Director. He is the Chairman of IT Strategy Committee and member of the Audit Committee and Nomination Remuneration and HR Committee. He has joined from Mumbai.

Shri Anup Sankar Bhattacharya is the former Chairman and Managing Director of Bank of Maharashtra. He is an Independent Director. He is a member of the Audit Committee, Risk Management Committee and Stakeholders Relationship Committee. He has joined from Bengaluru.

Shri Arvind Narayan Yennemadi is a Practicing Chartered Accountant, partner of Ray & Ray, Firm of Chartered Accountants. He is an Independent Director. He is the Chairman of the Audit Committee and member of IT Strategy Committee and Corporate Social Responsibility Committee. He has joined from Mumbai.

Shri Murali Ramaswami is the former Executive Director in Bank of Baroda and also in Vijaya Bank. He is the Chairman of the Stakeholders Relationship Committee and member of the Nomination Remuneration and HR Committee and Corporate Social Responsibility Committee. He has joined from Chennai. The proposal relating to his appointment as an Independent Director is placed before the members.

I am happy to welcome you all once again, on behalf of the Board of Directors, to this 36th Annual General Meeting of your Company on video conferencing. It is now 11:05 and I have been informed that the quorum is present and I call the meeting to order.

Participation of members through video conference is being reckoned for the purpose of quorum as per Section 103 of the Companies Act, 2013 and the circulars issued by MCA. The Register of Directors and Key Managerial Personnel, the Register of Contracts or Arrangements, have been made available electronically on the e-voting platform of NSDL, for inspection by the members during the AGM.

The Company Secretary will now provide general instructions to the members.

**Veena G Kamath:**

Dear Members, this meeting is being held through video conferencing as already mentioned by the Chairman, in accordance with the circulars issued by the Ministry of Corporate Affairs, applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has made arrangement, for Members to participate in this 36th AGM through the video conferencing facility provided by National Securities Depositories Limited that is NSDL. Facility for joining this meeting through video conference or other audio-visual means is made available for the members on a first-come-first-serve basis.

The proceedings of this meeting are being recorded for compliance purposes. In accordance with the provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Members have been provided with the facility to exercise their right to vote by electronic means, both through

remote e-voting and e-voting during the AGM. Since the AGM is being held through VC in accordance with the MCA Circulars, the facility for appointment of proxies by the members, has not been made available.

The Annual Report, AGM Notice, instructions for e-voting, instructions for attending the meeting on Video Conference, process to be followed by the members who have not registered their e-mail IDs and also general instructions were sent to all the members who had registered their e-mail IDs, by way of e-mail through NSDL platform on the 24<sup>th</sup> day of June 2023.

As on the first cut-off date for sending AGM Notices and Annual Reports that is on 16th June 2023, the Company had 90,730 shareholders and 85,048 shareholders had registered their E-mail IDs through Depository Participants and the Registrar and Transfer Agents. There were about 4816 e-mail bounces and NSDL has confirmed that they have sent mails for the second time to the bounced mail IDs. E-mails have also been sent to the shareholders, who acquired shares after 16th June 2023 and upto 07th July 2023.

We had received requests from 34 members for physical copies of the Annual Reports and we have dispatched the same. Members may note that the Notice and Annual Report 2022-23 are also made available on the company's website, on websites of NSE and BSE. Copy of the Notice is also made available on the website of NSDL.

Remote e-voting facility was made available for all the 11 agenda items during the period commencing from 15th July 2023, Saturday, 9 am till 18th July 2023, Tuesday, 5 pm. All the members who are holding shares as on 13th July 2023, the cut-off date, are entitled to vote in terms of the applicable Rules.

Members joining the meeting through video conferencing, who have not cast their vote by using remote e-voting facility, may vote today through e-voting facility provided on the NSDL portal. The members who have already cast their vote by remote e-voting prior to this AGM, shall not be entitled to cast their vote again.

The Board of Directors has appointed Shri K N Nagesha Rao as the Scrutinizer for this meeting. Based on the report of the Scrutinizer, the combined results of e-voting will be announced and displayed on the website of the company, and will also be submitted to the stock exchanges as per the requirements under the SEBI Listing Regulations.

Regarding expression of views or questions from members, I wish to inform that the company has received requests from 12 members to register them as speakers at the meeting; Shri. Santosh Kumar Saraf; Shri. Sadananda Sastri; Shri. Ashit Kumar Pathak; Shri. Sharadkumar Jivraj Shah; Shri. Santosh Chopra; Shri. Kankanala Bharat Raj; Shri. Padmanabhan S; Shri. N Prakash Chand Galada; Shri Abhishek J; Shri Jaichand P; Shri Manisundaram A V and Shri. Gundluru Reddappa: Accordingly, the moderator will facilitate the speakers, one by one, to express their views, when the Chairman opens the floor for questions and answers.

Members can post their views or questions in the Communication Tab on their video conference screen before 11.30 am. It may be noted that the company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM. We request the

members who are posting their queries in the Communication Tab to type their respective e-mail IDs. In case of paucity of time, the response from management will be sent by e-mails to them.

I now request the Chairman to continue with the proceedings of the meeting.

**K Satyanarayana Raju:** I am satisfied that all the efforts have been made by the company to enable the members to participate and vote on the items being considered at this meeting.

**Moderator:** Chairman will now present his statement

**K Satyanarayana Raju:** Dear Shareholders, I am pleased to extend a warm welcome to all of you on behalf of the esteemed members of the Board to the Annual General Meeting of Can Fin Homes Limited' for the financial year 2022-23. This year has been a period of significant progress for your company, as it has successfully recorded the highest sanctions, disbursements and net profit in the history of the company.

With a legacy spanning 35 years, Can Fin Homes Limited has established itself as a leading housing finance institution, empowering countless individuals to achieve their dream of homeownership. The company's vision and mission continue to be centered around increasing the housing stock in the country and enabling more individuals to experience the joy of owning a home.

The dedication to empowering communities and driving socio-economic growth through various housing finance schemes and initiatives, remains steadfast. The Board's report and audited financial statements for the fiscal year ended March 31, 2023 are already with you and with your kind permission, I take them as read.

Looking back at the economy. India's economy has shown remarkable growth in the fiscal year 22-23, with the GDP accelerating to 7.3%. The expansion can be attributed to the robust domestic demand and a significant surge in construction activities. The construction sector has played a crucial role in driving this growth, supported by substantial infrastructure investments by both the Central and State Governments. These investments have not only bolstered economic development but have also created numerous employment opportunities on a large scale.

The strong performance of the Indian economy in the past fiscal year reflects the resilience and potential of the country. As we move forward, it is imperative to sustain this momentum and capitalize on the positive trends. Continued investments in infrastructure, coupled with favorable government policies, will further stimulate economic growth and pave the way for a brighter future for all.

Foreign direct investment has played a significant role in accelerating economic development by creating job opportunities, fostering innovation, and improving productivity. It has facilitated the establishment of new industries, expansion of existing businesses, and the transfer of knowledge and skills. The presence of multinational corporations has stimulated competition, encouraged domestic companies to enhance their capabilities, and contributed to the overall growth of our economy.

Why the housing sector is on the rise? The Indian housing industry is witnessing significant growth due to factors such as a young and growing population, rapid urbanization, and favorable government initiatives. The demand for housing is driven by urban migration, increased disposable income, and the need for affordable and quality housing. Various housing programs of the government aim to provide affordable housing for all, further boosting the sector.

With a favorable interest rate environment and easier loan approval processes, individuals have greater access to housing finance, which has fueled the rise of the housing finance industry. Customized loan products and government support in the form of subsidies and tax incentives have made home loans more affordable and accessible for a wider range of buyers.

Can Fin – riding on industry opportunities. In the fiscal year 2022-23, your company has achieved positive performance across various parameters. There is an impressive 18% increase in assets under management. The loan book portfolio stood at INR31,563 crore in financial year '23 compared to INR26,711 crore in financial year '22.

Notably, the NPA levels have decreased, with gross NPA reducing from 0.64% to 0.55% and net NPA decreasing from 0.30% to 0.26%. Diligent collections and the recovery efforts have yielded fruitful results leading to a significant reduction in NPA figures. Conservative provisioning approach has also strengthened the provision coverage ratio. Although, interest rates have increased, their impact on the asset side is yet to be fully reflected in the books.

As a result, a marginal improvement in the interest spread is anticipated in the upcoming quarters as the impact of the rate hike unfolds. In order to deliver consistent performance, it is important to address a potential risk to sustain the company's growth trajectory and protect its prized asset quality. The risk of slippage from the restructured book is an area of concern that is being closely monitored and actively mitigated to ensure the stability and resilience of Can Fin's business operations. Your company has a market presence in more than 21 states and union territories. As on March 31st, 2023, there are 205 offices spread across the country.

Strengthening ESG endeavors. The company is enthusiastically expanding its ESG, that's Environmental, Social, and Governance, footprint as part of its commitment to sustainability and responsible business practices. Waste reduction and recycling initiatives are prioritized across operations and strategies are implemented to minimize the environmental impact and promote a circular economy. These efforts will contribute to a cleaner and greener future.

At Can Fin Homes, strong corporate governance to ensure trust, transparency, and accountability is practiced. Ethical practices are upheld and transparency in operations is maintained. The company has a well-defined organizational structure that promotes accountability at all levels. It's commitment to these principles fosters confidence among the stakeholders and enables it to navigate challenges while creating sustainable value for the customers and the shareholders.

During the year, your company's contribution to multiple CSR activities in the fields of education, healthcare, community development, etcetera was INR11.81 crore. By exposing social causes and investing in social well-being, Can Fin's strives to create a positive and inclusive environment for its employees and the society in general.

Way forward. Going forward, your company looks forward to expanding its operational footprints in key geographies across India, while demonstrating continued growth in the southern part of the country. With the establishment of new branches, Can Fin will target a wider customer base to cater to their evolving needs more effectively. Furthermore, as operations are enhanced, your company is committed to increasing efficiencies, streamlining its processes, and compliance culture.

By leveraging technology and implementing innovative solutions, the overall banking experience for the customers will get upscaled. I extend my sincere gratitude to the esteemed members of the board, the regulators of the company, the National Housing Bank, and the Reserve Bank of India, as well as the sponsor, Canara Bank, and the auditors. Their advice, support, encouragement, and co-operation have been instrumental in Can Fin's ongoing journey.

I would also like to express my appreciation to the shareholders, customers, and dedicated employees for their continued faith in your company's capabilities. It is through their trust and support that Can Fin has been able to achieve a remarkable milestones over three decades. Looking ahead, Can Fin is committed to work collaboratively for reaching new heights of success. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, our Chairman sir will now announce about AGM notice and Auditor's Report.

**K.Satyanarayana Raju:** As already mentioned by the Company Secretary, all the relevant documents like AGM notice, annual report including financials, necessary e-voting and VC-related instructions, etc have been sent by electronic mode to those members whose email addresses are registered with the company, RTA or depositories. These documents have also been made available on the company's website. Considering the same, I would like to take the notice dated 19th June 2023, relating to the 36th Annual General Meeting of the Company as read.

Now I request the Company Secretary to present the Auditor's Reports for the financial year 2022 and '23.

**Veena G Kamath:** Dear Members, M/s B Srinivasa Rao & Co, and M/s B K Ramadhyan & Co, LLP, the Joint Central Statutory Auditors of the Company have given their unqualified auditors' report for the financial year ended 31st March 2023. There are no qualifications, observations or comments on the financial transactions or matters which have any adverse effect on the functioning of the company. Independent Auditors Report on audit of IndAS financial statements together with Annexure A and Annexure B relating to report on other legal and regulatory requirements including report on the internal financial controls are placed in page numbers 167 to page number 177 of the Annual Report.

Shri. S Viswanathan, Practicing Company Secretary was appointed as the Secretarial Auditor as per Section 204 of the Companies Act, 2013 for the financial year 2022-23. The report submitted by the Secretarial Auditor is placed as Annexure 1 to the Report of Directors at page number 64 to page number 70 of the annual report. There are no qualifications, observations or other remarks made by the Auditor. Hence, the Auditor's reports are being taken as read. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, Chairman sir will now take up the resolutions as set forth in the notice.

**K.Satyanarayana Raju:** We now take up the resolution set forth in the notice of the 36th Annual General Meeting. I request the Company Secretary to take us through the business that are to be considered at this meeting.

**Veena G Kamath:** The ordinary business placed for consideration before the members are Resolution Number one, Adoption of Accounts. To receive, consider and adopt the audited financial statements including balance sheet as at 31st March, 2023 and statement of profit and loss account of the company for the year ended that date, together with the reports of Directors and Auditors thereon. The complete financial statements with all annexures there to, the report of directors and Auditors Report are already provided to the members in the annual report circulated on 24th June 2023, and copies are made available on the websites of the company, NSDL, NSE and BSE and also made available for inspection at the registered office of the company.

Resolution Number two, to confirm payment of interim dividend and declaration of final dividend. To confirm the payment of interim dividend of INR1.50 per equity share of face value of INR2 each and to declare a final dividend of INR2 per equity share of face value of INR2 each for the financial year ended March 31, 2023. The Board had paid an interim dividend of INR1.50 that is 75% on the 26th December, 2022 and recommended a final dividend of INR2 that is another 100% for the year ended 31st March 2023. Total dividend of INR3.50 per share which is 175% as against INR3 per share which was 150% that was recommended last year.

Resolution Number three, to reappoint Shri. Debashish Mukherjee Director, who retires by rotation and being eligible, offered himself for reappointment. This proposal is as per the requirement under Section 152 of the Companies Act 2013, and the company has complied with the provisions of Section 152. Brief profile and all relevant particulars of Shri. Debashish Mukherjee are provided in the explanatory statement at page number 16 to page number 18 of the notice and page numbers 298 to page number 299 of the Annual Report. The board has recommended for passing of this resolution.

Resolution number four, appointment of Shri. K. Satyanarayana Raju as a Director. The board of directors has appointed Shri. K. Satyanarayana Raju as an Additional Director with effect from April 26, 2023 on the recommendations of nomination, remuneration and HR committee and in terms of the notification dated 6<sup>th</sup> April, 2023 issued by the Ministry of Finance. Approval is sought from the members for his appointment as a Director.

Brief profile and complete particulars relating to Shri. K. Satyanarayana Raju are provided in the explanatory statement at page numbers 18 to page numbers 20 of the notice and page numbers 300 to page number 302 of the Annual Report. The board has recommended for passing of this resolution.

Resolution number five, appointment of Shri. Ajay Kumar Singh as a Director and Whole-Time Director. The Board of Directors has appointed Shri. Ajay Kumar Singh as an Additional Director and the Whole-Time Director and designated him as Deputy Managing Director of the



Company with effect from June 19, 2023 on the recommendations of the Nomination, Remuneration and HR Committee. The proposal has been placed before the members seeking approval.

Brief profile and complete particulars relating to Shri. Ajay Kumar Singh are provided in the explanatory statement at page numbers 20 to page number 22 of the notice and page numbers 302 to page number 304 of the Annual Report. The Board has recommended for passing of this resolution.

Resolution Number six, related party transactions. The company had obtained prior approval of the members for entering into or continuing with the transactions, arrangements or contracts with related parties namely, Canara Bank and its subsidiaries and other group companies, exceeding the threshold limits prescribed under Section 188 of the Companies Act 2013, and related rules and Regulation 23 of the SEBI Listing Regulations 2015 and the approval will be valid until the conclusion of this meeting.

In terms of the SEBI Circular dated 8th April 2022, approval is requested from the members for the related party transactions on the same terms and conditions up to the conclusion of the next Annual General Meeting. The aggregate related party transactions as at March 31, 2023 was INR1,958 crore. The complete particulars of related party transactions are provided in note number 44 in page number 243 to page number 248 of the Annual Report and in the explanatory statement in page number 22 to page number 25 of the AGM Notice. The Board has recommended for passing of this resolution.

Resolution number seven, reappointment of Smt. Shubhalakshmi Aamod Panse as an Independent Director. Smt. Shubhalakshmi Aamod Panse was appointed as an Independent Director of the Company by the members at the AGM held on August 26, 2020 up to the conclusion of the Annual General Meeting of the company of the year 2022-23. The tenure of her appointment comes to an end on the conclusion of this AGM. The NRC has determined fit and proper criteria and the board has recommended for her reappointment for a further tenure of three years.

Brief profile and complete particulars relating to Smt. Shubhalakshmi Aamod Panse including the terms and conditions of appointment are provided in the explanatory statement at page numbers 25 to page number 27 of the notice and page numbers 307 to page number 309 of the Annual Report. The board has recommended for passing of this resolution.

Resolution Number eight, appointment of Shri. Murali Ramaswami as an Independent Director. The Board of Directors has appointed Shri. Murali Ramaswami as an Additional Director with effect from June 19, 2023.

Brief profile and complete particulars relating to Shri. Murali Ramaswami including the terms and conditions of appointment are provided in the explanatory statement at page numbers 27 to page number 29 of the notice and page numbers 309 to page number 311 of the Annual Report. The board has recommended for his appointment as an Independent Director of the company for a tenure of three years.

Resolution number nine, offer or invitation for subscription of non-convertible debentures of any nature up to an amount not exceeding INR4,000 crore on private placement. Keeping in view the expected increase in business of the company, alternative sources of funds, cost of each of the sources and to comply with the regulatory requirements, the company intends to offer or invite subscription of bonds or NCDs or Tier 2 bonds up to an amount of INR4,000 crore in one or more tranches on private placement basis during the period of one year from the conclusion of this meeting until the conclusion of the next AGM.

However, it will be ensured that the NCDs together with all other existing and future borrowings would be within the limits specified by the members under Section 180(1)(c) of the Companies Act 2013. Complete particulars on the subject are provided in the explanatory statement forming part of the notice of this meeting at page numbers 30 and page number 312 of the Annual Report. The Board has recommended for passing of this resolution.

Resolution number ten, further issue of shares not exceeding INR1,000 crore as a special resolution. The company focuses on four key parameters, namely growth, asset quality, liquidity and profitability. The company expects to grow at an average rate of 18% to 20% over the next five years.

The expected growth rate necessitates infusion of fresh capital to build an adequate cushion in the borrowing capacity of the company for the next three to four years and to keep the capital adequacy ratio as well as leverage ratio at comfortable levels. The capital adequacy ratio of the company as on March 31, 2023 was 23.07%, which was well above the regulatory requirement of 15%.

However, the leverage ratio was expected to remain around 8 times. Generally, lenders are comfortable with a DER of about 7 times, and hence, there is a need to infuse Tier-1 capital. The Board seeks authorization for taking a decision on the time of issue, type of issue, number of shares to be issued, mode of issue, terms of the offer, including the class of investors to whom the securities are to be allotted, etc., considering the market scenario, costs, benefits, and other parameters. Complete particulars in this regard are provided in the explanatory statement annexed to the notice from page nos. 31 to 32 of the AGM notice and page nos. 312 to 313 of the annual report. The Board has recommended for passing of this resolution.

Resolution No. 11 to alter the Articles of Association. The SEBI has amended the Issue and Listing of Non-Convertible Securities Regulations on February 02, 2023 and one of the requirements therein for listed entities, is to ensure that its Articles of Association contains a provision for enabling the Board of Directors to appoint the person nominated by the debenture trustee in terms of SEBI Debenture Trustees Regulations, 1993, as a director on its Board of Directors, in the event of two consecutive defaults in payment of interest to the debenture holders; or default in creation of security for debentures; or default in redemption of debentures.

This requirement needs to be complied before September 30, 2023. Hence, it is proposed to alter the existing AOA of the Company by inserting Article 25.3A after Article 25.3 as an enabling clause which gives authority to Board of Directors to appoint a director, if any nominated by Debenture trustee.

Pursuant to Section 14 of the Companies Act, 2013, the said alteration can be effected only with the approval of Shareholders by passing a Special Resolution. Complete particulars of Resolution No.11 are provided in Page 32 of the AGM Notice which is Page No. 314 of the Annual Report, seeking approval of members.

The Board has recommended for passing of the Resolution No.11 by the members. So approvals for all the resolutions nos. 1 to 11 are very important for the Company to carry on its business smoothly during the year, I mean upto the next Annual General Meeting. Hence, we request for support from the members and request the members to cast their votes today before the voting window closes. Thank you.

**Moderator:** Thank you. Ladies and gentlemen, Chairman Sir will now announce about discussions on annual accounts.

**K Satyanarayana Raju:** Before commencing discussions on annual accounts, I would like to inform a few points. All the resolutions are put to vote through remote e-voting. Hence, in terms of Secretarial Standards, there will be no proposing or seconding required for any resolutions at the meeting and also there will be no show of hands. All resolutions are required to be voted electronically.

The e-voting facility will now be activated for members who are participating in this meeting and who have not already voted through remote e-voting. The voting facility will remain active till 30 minutes after conclusion of the meeting. We will open the floor for expression of views or any questions on the financial statements for the year ended 31st March 2023 and other resolutions moved at the meeting.

We will adhere to some basic guidelines for a smooth Question and Answer session. Before raising questions or seeking clarifications, I request the speaker members to mention their name, folio number and the location from where they are joining. Members are also requested to restrict their questions to two minutes, so that the other speakers also will get an opportunity to share their views. It may be noted that the Company reserves the right to limit the number of members asking questions depending on the availability of time at the AGM. To avoid repetition, we will respond to all the questions at the end.

I now request the moderator to enable our speaker shareholders one by one to express their views.

**Moderator:** Thank you, sir. Ladies and gentlemen, we will now begin the question and answer session. Request everyone to please remain connected while the speaker shareholders assemble. We now invite our first speaker member Mr. Santosh Kumar Saraf to accept the prompt on your screen, unmute your audio and video and proceed with your question.

**Santosh Kumar Saraf:** I Santosh Kumar Saraf greets everybody and hopes everybody is in good health. Sir Company has performed good and you have covered everything in your speech. I have one or two small questions. You should have made an expense of INR 11 crores which in the full year you couldn't do, what is the reason for that?

And this year the home loan which you have distributed, would like to know how many new

clients you have added and what percentage has increased? We have female employee ratio of 24% and what steps you are taking to increase that? I appreciate the Company Secretary for allowing me to speak. Keep the practice of VC Meeting ongoing which is quite helpful and you should continue this in the future also you continue VC meeting along with Physical meeting. Hoping to meet in VC meet next year.

**Moderator:** Thank you. We now invite our next speaker member, Sadananda Sastri, to accept the prompt on your screen, unmute your audio and video. And proceed with your question.

**Sadananda Sastri:** Yeah. Yeah. Good morning. I am Sadananda Sastri from Bangalore. My number is 11702201. Sir, I will go through only your report and none other than that, I may stay a minute more. Please bear with me. First of all, I thank that the company being one of the subsidiaries of Canara Bank has occupied first place in the list of other subsidiaries with an excellent growth. You have also shared a good profit with your parent bank, Canara Bank.

I have highlighted this in the AGM of Canara Bank recently held on 28th June. Your company secretary Veena G. Kamath is very cordial, cooperative and helpful to shareholders in extending minimum requirements of shareholders like sending physical annual report and other entitled information. Thank you Veena. Keep it up.

Report page number 5. Canfield Hope is in Karnataka -- is Karnataka based. You have 16 branches in Karnataka, but 23 in Tamil Nadu. What potentiality you find in Tamil Nadu? Page number 10, financial highlights. You have said that 200th branch in 2022 in page 6, but here you have shown 193 branches. What is this difference? Do you consider satellite and HO offices as branches where banking business now dealt with?

Page number 14, performance. The graph level in all segments except few are showing steady and uniform growth. I hope you will continue the same trend in the coming year also. Page number 44, asset quality. It is an alarming state in the case of increased gross NPA and also net NPA compared to the last year. What steps you will take to control these?

Page number 97, employees training. You have considered only female for health and safety training, leaving male employees. Are they not eligible? You know, sound mind in a sound body. Healthy employees may give good contribution to the company. Page number 108, it is worth to see the nil in all categories which are very important column. Shareholders wish to see nil in these categories. Keep it up sir.

Page number 142, generally you are conducting AGM during August/September, but this time it is in mid of July. What is the reason? Page number 157, share value is somehow sinking despite good performance. Required vitamin to be injected to increase the value to save the image. Page number 178, balance sheet. In loans impairments, unsecured, losses are being kept corrupting. Over dues are not mentioned. It may affect the profit of current year. How do you monitor it, sir?

Borrowings are increasing. Deposits are coming down. Why can't the company increase rate of interest on deposits to attract depositors and reduce borrowings and expensive finance cost? Alternatively, other equities are highly inflated. Company can issue bonus shares and increase

the capital to minimize borrowings and interest cost.

Lastly, in other expenses, insurance cost has come down by 75 lakhs compared to the last year. Generally, insurance expenditure would be higher year-on-year. In case of certain eventualities, contingencies will arise. May I know the reason for the reductions sir? Thank you very much, sir. See you personally in the next year meeting. Thank you very much.

**Moderator:** Thank you. We now move to our next speaker member, Mr. Ashit Kumar Pathak. Please accept the prompt on your screen, unmute your audio and video and you can proceed with your question.

**Ashit Kumar Pathak:** Very good morning, respected Chairman, MD and CEO, Board of Directors, Company Secretary, fellow members joining at 36th AGM of Can Fin Homes Limited. My name is Ashit Kumar Pathak, joining from Dum Dum, Kolkata. My esteemed gratitude to AGM and Company Secretary, Simati Veena G, Kamath, and secretarial teams for excellent cooperation to me for sending notice of the 36th AGM and annual report financially at 23 by email very early in advance and allowed me to speak.

Sir, excellent opening remarks from my respected chairman and he made many of my views clear. Apart from this, I have some brief views which I would like to share. At first, congratulations to my company's management team for excellent financial performance where profit achieved 622.61 crore and NPA [45:05] decreased to 0.55% from 0.64% and also cost of income ratio reduced to 16.93 from 18.32. Excellent performance.

But sir, I noticed that capital adequacy ratio is reduced, if possible, for some highlights, from 23.15% to 23.07%. And average cost of borrowings is 6.53% against 5.56% previous financial year. And what my company management keeps taking for cost controlling, because other expenditure is INR48 crores against INR41 crores and also finance cost is very higher INR1,701 crores against INR1,153 crores. If possible, throw some highlights.

I noticed in annual report it is mentioned that at present situation, housing finance company facing significant competition from banks, where HDFC Limited merged with HDFC Bank and also Bandhan Bank is taking Guru Finance which is wholly subsidiary. So any future time chance, my company will merge with sponsors, the bank, Canara Bank, if possible for some highlights. And any future plans business perspectives in Tier-1 city and other zones apart from concentrating zone business, south zone.

And sir my previous speaker also mentioned about bonus share. If possible, I also eager for bonus share. And today the stock price is rupees 809 and more. And any future chance to split my company share from rupees 2 to rupees 1 for enhanced market share. Sir, after repo rate increased to 6.50%, any impact in our business operation in current financial year, apart from EMI? And also, government in current financial budget, 2020 to 2024, allocated 48,000 crores in PMAY. So I think how my company's management team taking this opportunity. And also, if possible, show some highlights, the borrowing cost from NHB, if possible, show some highlights.

And finally, this is, we are completing 35 years long journey with prospective financial

performance and uninterrupted dividend paying strategies. So if possible, in the eve of 35 years a get together with attending speakers and members, if possible and if the situation permits. I pray to God everybody good health and prosperity of my company year-to-year. Thanking you sir.

**Moderator:** Thank you. We now invite our next speaker member Mr. Sharadkumar Shah. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. Mr. Sharadkumar Shah, please accept the prompt on your screen, unmute your audio and video and you may proceed with your question.

**Sharadkumar Shah:** Sir, I have received a call from -- first thing, it is still good morning because it is not 12 o'clock. And I have received a call from your side on 14 and asking me to send my views. Immediately I sent. My thinking was, whatever mail I sent, I will get the reply because it is five days back I have given.

**Moderator:** Sorry to interrupt, Mr. Shah. Could you please hold the mic a little bit closer to your mouth?

**Sharadkumar Shah:** Okay. Okay. Now can you hear me?

**Moderator:** Yes, sir.

**Sharadkumar Shah:** Another thing, sir, if I am not wrong, our CEO and MD has joined around four, five months back, and I welcome him to the Can Fin Homes, sir. And now my earlier speaker, speaker number two said our NPAs are increased. Second, third speaker said it is decreased and what I feel -- what is correct? Is the NPAs, gross or NPAs is reduced? So it is a good sign. Another thing that these two speakers asked for bonus. I am against bonus because bonus doesn't make any sense.

I will prefer if the company's final cost is increasing or something like that, then in that case, our price is good and we can go for a right issue and the company will get good amount of money at the same time. See, nowadays, right issues are also listed in the market. So, even if shareholders want to sell their rights, they can also get some money. So that is my basic idea.

Another thing, sir, I will try to see that I will only talk on financial. So financial last six years, I'm seeing that it is increasing, it is ascending year-by-year. And particularly, these '22, '23 years is much better than the previous year. And if I see particularly, earning per share is INR46.62 and the dividend is around INR3 or INR4, something like that. So what I feel, it is not justified and whether any banking rules are applicable to us not to give more dividend or something like that, that I don't know.

So basically, if the earning per share is good, like Hindustan Lever, we try to give as much as possible to the EPS. And Hindustan Lever gives dividends close to earnings per share. So we look into this aspect, whether we have got definitely any restriction. And what I have observed, sir, our results are good. Performance is good, still what happened, year '22, '23 share price has fall down, I don't -- see, as per balance sheet, but again, it has picked-up to 800, an the present ratio is around 16.48 whether it's a good ratio or it is the high or low our [inaudible 0:52:11] the chances of increasing share prices are really good sir. And so that it means that we should

definitely retain this share for future gains.

Another thing, sir, finance cost is our raw material. So if we given the increase, and not bother because it seems that we are getting more client we are financing more people, we are increasing our business. And surprisingly, sir, what I found that in any business, if you maintain the expenses as low as possible, definitely we'll make good PAT to the earning per share. And in our case, employment costs, we have maintained just 15% of our PAT. So it is a good sign.

Another thing, somebody talked about the banks and the NBFC. Whether we fall in the NBFC category, that I would like to know. And what is my observation, HDFC was the NBFC, and their share was 11.2 in NBFC. Now it is merged with the HBFC Bank. So that particular section of NBFC is reduced. So what is the total NBFC share at present and what is our percentage in that? That I would like to know.

And another thing what I realized that Jio Financer is also coming into market, so whether its share will match with the HDFC and again the NBFC share will increase in the market. And whether NBFC is better or banks are better to take a loan for home loan or any loan that I would like to know.

Sir, thank you very much for giving me opportunity. And once again, I thank you everybody and if possible you can reply me and I must look for a right issue, sir. Thank you very much, sir.

**Moderator:**

Thank you. We now invite our next speaker member, Mr. Santosh Chopra. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question. We will wait for a moment while Mr. Santosh Chopra unmute their audio and video.

**Santosh Chopra:**

Thanks for giving me the opportunity to speak at this AGM. I am from Delhi, NCR, Ghaziabad. Sir, as reported by the management at this meeting, I am satisfied with the performance of the company, especially the dividend announcement by you. But I request, as previous speakers have requested, for split of the share as well as for bonus issue to enhance our share value. As most of the queries have already been covered by the management, previous speakers, I would not like to ask any further questions.

I support all the resolutions proposed by the Board of Directors and wish my good luck for the future growth of the company. Thank you very much, sir.

**Moderator:**

Thank you. We now move to our next speaker member, Mr. K Bharat Raj. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question. We'll wait for a moment while Mr. Bharat Raj unmutes their audio and video connection.

**Bharat Raj:**

Yeah, very good morning, entire Board of Directors. I'm Bharat Raj calling from Hyderabad. Sir, first of all, my warm welcome to our Chairman, Mr. Satyanarayana Raju, our MD and CEO, Mr. Suresh, and entire Board of Directors, my Company Secretary, Ms. Veena, wonderful arrangement of the VC. Thank you very much, Ma'am. I received my annual report, Chairman, sir, in time. Thank you very much.

First of all, sir, wonderful performance in this financial year under the leadership of our

Chairman. Mr. Suresh is doing wonderfully, sir. He's made my NPA come down 0.26% compared to the last year, sir. Wonderful, sir. My net profit has increased. Very good, sir. Chairman, sir, as per the last questions also, regarding this North-Eastern states, there is no branches, sir. In Jammu Kashmir States, there is no branches. So what is your future plan in the North-Eastern States and Jammu and Kashmir, sir? At present, we are 172 branches. What is your target, sir, in next five years, sir? I want to know the future plan to how to increase 250 branches all over India. Please give me the roadmap, sir.

Sir, wonderful CSR, sir. There is no question to point out the CSR. Sir dividend payout is wonderful, sir. I request the management look into the bonus share, sir. Sir, in next year fiscal AGM, try to conduct physical AGM. Physical AGM create lot of effect. We used to come from Hyderabad to Bangalore to attend the AGM, sir. It is like, a family get-together, sir. We used to enjoy a very lot sir. So Chairman sir, next year physical AGM is a must, sir. Video conference creates, there is no impact for the management and the shareholder, sir.

Sir, first of all, I warmly welcome Ajay Kumar, Joint managing director I thank Mr. Amitabh for his wonderful services and happy retirement life, sir. I also, best wishes to Shamila, GM, ma'am for retiring happy retiring life, sir. Once again, Chairman sir, my best wishes to you in the coming years, Chairman sir, please, humble request sir, please arrange dryfruits, sweets, sir. Please inform to our Company Secretary to arrange a sweet box sir. This is something is for the shareholders who are attending this AGM, sir, so that uniform or counterpart in Hyderabad will, they will arrange us, sir. So please arrange a dryfruit sweet box, sir.

Once again, Mr. Chairman and MD and entire Board of Directors, my best wishes to you in coming years. I hope we will be more, more in greater heights, sir. Thank you very much for giving this opportunity.

**Moderator:** Thank you. Our next speaker member is S. Padmanabhan, who has registered however, she has not joined. So we will move on with the next speaker member N. Prakash Chand Galada. Please accept the prompt on your screen, unmute your audio and video, and you may proceed with your question. We'll wait for a moment while the -- Mr. Prakash unmutes their audio and video connection.

**N Prakash Galada:** Yes. My name is Prakash Galada. My details of holding is I am with Canra Bank Securities, DP ID Client ID number 40064545. I have been having a demat account with them and with you as a shareholder also. I find a few points because all have been covered by my other co-speakers quite before. I'll just speak a few points.

[Inaudible 1:01:24] shareholders also as a 10% of that NCD so that it will attract you and we can also contribute as well as have our money safe with you. So that should be taken up without any -- e-voting is having 30 minutes.

**Moderator:** I'm sorry to interrupt. There's lots of disturbance. Prakash sir, could you adjust your mic? And repeat the last sentence if possible. I'm sorry we are unable to hear you due to some possible network issue. We will contact you and if your connectivity improves, we will announce your turn again. Thank you.



Meanwhile we will move on with our next speaker member Mr. Abhishek J. Please accept the prompt on your screen, unmute your audio and video and you may proceed with your question. We will wait for a moment while Mr. Abhishek unmute the audio and video connection. Mr. Abhishek, may we request you to unmute your microphone and webcam.

**Abhishek J:** My name is Abhishek, shareholder of the company, my DP ID is IN301637 and my client ID is 71359155. First of all, I congratulate the management on the annual general body meetings. I trust all is well with you and your family in this challenging situation. Our company deserves much more respect than the current market cap after completing a decade of successful operations, profitability, and becoming one of the strongest brand in our respective segment.

Sir, I would like to know how our business was being affected in the past COVID time, past three to four years all the companies have struggled so how was the situation for our company I would like to know what are the steps being taken by the management to reduce the other expenses legal professional charges and the audit fees...

**Moderator:** Sorry to interrupt Abhishek we hear a lot of disturbance there's a background noise.

**Abhishek J:** What are the steps being taken by the management to reduce the other expenses, legal professional charges and the audit fee? And then we have some – how much of NPA spending as of date, sir so what step will taken by the management to record the same, I would like to know – and the company is doing very well. We really appreciate the management for the sincere efforts and bringing the company to this particular standard and rewarding the minority shareholders in large numbers.

Thus sir, [inaudible 1:05:14] expecting a bonus issue in the upcoming year, we hope that the management will consider the same and reward the minority shareholders in large numbers years to come. Nothing much to ask, sir. I wish the company and the board of directors a great success and prosperity in the coming future. I thank the company secretary and the entire team for sending us the link well in advance and making this annual general body meeting a grand success.

So one more shareholder, Mr. P. Jaichand, he's also joined, he's my father. So kindly allow him to join from the same device, sir, rather than in order to time constraint and because of technical issues, he's not able to join from the separate device. He is the subsequent speaker, kindly allow him from the same device.

**Moderator:** Thank you. We now invite our next speaker member, Mr. P. Jaichand.

**P. Jaichand:** I am P. Jaichand, shareholder from Chennai, sir. Good morning, respected Chairman, Board of Directors, Secretary and his team, my fellow shareholders. First of all, I congratulate all for this AGM. We are proud shareholders of our company.

Sir, the only genuine grievance of all shareholders is they expect better dividend and bonus, which is an undisputed fact. The effort of the management is wonderful in sustaining the pandemic period. The management should reduce expenditures and maximum profits to be declared as dividends instead of taking them into reserve. I request the management to conduct

AGM in physical in coming years.

Everybody has suffered during pandemic, especially the minority shareholders. And I support all the resolutions, sir. I wish our company all success in coming future. I wish our company to touch sky high. I thank the management for giving me the opportunity. Thank you very much.

**Moderator:** Thank you. We now move to our next speaker member Mr. Mani Sundaram. Please accept the prompt on your screen unmute your audio and video and go ahead with your question.

**A V Mani Sundaram:** I welcome, I am shareholder A V Mani Sundaram. Welcome to 36th Annual General Body Meeting Director, Charmin, Board of the Directors and the Executive, and also DGM's panelist. Very happy to attend this meeting. The Annual General Body Meeting, Annual Report is very good and also thanks to Surya S. Iyer MD and CEO, Director, Key Manager, personnel and also Company Secretary, Veena G. Kamath and DGM and cluster heads.

Welcome to some few points to mention page six a wonderful diagram in this. 1987 to 2023, 26 years INR30 crores has been reached and target. Then page number 14 NPA is 0.26 is a very good one and also page number 18 CSR act is a very good, page number 48 earning per share 46.65, it is also very good sir and comparing last year 35.38. Dividend we have given for INR2, 100% and page number 126, the board of directors and share holding of Mr. Srinivasan Iyer is 100 shares only.

Other than 10 executives, shares are nil. Shareholder is nil. What is the reason? Why they are not a shareholder? Please enroll. And also, we will like to inform by means of in future, what is the future plan to expand and also housing finance is very good. Page number 134, board meeting nine has been -- last year has been conducted.

What is the resolution you have passed? Page number 173, dispute in Karnataka GST income tax 1961, what's of this GST use, what is the natural steps taken to solve this? To avoid penalty to the government to the bank management on a page number 179 Income, please explain other expenses very high comparing last year. Total expense also nearly INR65 crores of excess. Page number 216, bad debts as receivables. What is the reason? Please take necessary steps to avoid bad debts.

And page number 217, other expenses legal. I will make it as a very minimum in future years. Direct taxes on the miscellaneous expenses. Please make necessary steps to minimize expenses and also give cost account to the... who are attending the AGM by video conference. Make a physical meeting with all the shareholders. Very happy to attend the meeting. Or please arrange some refreshment or sweet box or dry fruits to the shareholders. Thank you. Thanks a lot. Please make arrangement next year to attend physically, in before that.

**Moderator:** Thank you. We now invite our next speaker member, Mr. Gundluru Reddeppa. Please accept the prompt on your screen, un-mute your audio and video and proceed with your question. We will wait for a moment, while Mr. Gundluru Reddeppa accepts the prompt and joins the meeting.

**Gundluru Reddeppa:** Mr. Chairman K Satyanarayana Raju, welcoming sir. Dynamic MD and CEO Suresh Srinivas Iyer and also Debashish Mukherjee, Shubhalakshmi ma'am, Ajay Kumar Singhji, New

Independent, Can Fin welcoming you sir. Arvind Narayan, sir. Anup Sankar Bhattacharyaji. Murali Ramaswamiji, welcoming you, sir. Anup Agrawalji, CFO, AMP. Also my company, Secretary DGM and CS. Veena ma'am.

Good morning, namaste. And other directors, non-executive directors, scrutinizers, auditors, and my fellow childrens of VC. Good morning, Namaste, sir. I am from Hyderabad. My name is Reddeppa Gundluru. My phone number is, last digit is 840, and you know, 0000840-CDSN, sir. Sir, firstly, congratulations for having completed 35 years successful year in this housing finance arena. Since 1987 to 2023, wonderful journey, wonderful Pan India presence with more than 200 branches, sir.

Welcoming our new MD, CEO Suresh Srinivas Iyer. He is a very good personal personality, very experienced person, earlier banks and also very in this housing finance and financial sector sir. We know your sir, your strength and welcoming you, sir and leadership will achieve Mr. Suresh, all the best. You are the experienced leader. As a shareholder I'm very happy about the company performance of this financial '23, sir. Wonderful information in the annual report '23 sir and also in our speech, I came to a lot of information. Sir, I have received the annual report within a short time, sir, immediately next day, I received sir, with a request.

And also with I have gone through all the annual reports, sir, a nice annual report with colorful photographs with detailed information, sir. And also, sir, you have given, my company has given very good returns of today market price is all-time high, sir. Nice and happy, sir. And also, I would like to appreciate all the corporate governance, very wonderful, sir. Transparency is there, and also the ethically accountability transparency is there. I felt very happy. So who is preparing the annual report and also the maintaining the corporate governance. So I'm expressing special kudos to them. All the best. Keep it up sir.

Sir, financial strength also very good sir. Thanks for dividend, thanks for dividend concession performance, sir. Company made in sales in 10 years sir, recorded growth more than 18%, wonderful growth sir, consistent performance, sir. And also, sir, our loan book crossed INR30,000 crores, sir. It shows my company is a very good right path, sir. Congratulations, wonderful awards and recognition. CSR, sir, an annual report, and every page, CSR with the proofs that you have printed, no, so very quality. I felt very happy. I don't want to ask any views in my CSR area.

Chairman Sir, my observation is, so what is the, the companies are, 35 years completed and also good revenue, good loan book, very wonderful sir. Now, what is your next target? What is your next mission and vision, I would like to know from you, Mr. Chairman, MD. And our second question is sir, please look into branch in this AP, new state, new districts are allocated now, especially in this, my personal visit in Annamayya district, district headquarter Rayachoti, earlier it was in Kadapa, now, separately the district headquarter Rayachoti. Growing now, sir. So infrastructure is now growing and also real estate is growing. So here my question is, sir, is that, please initiate a branch over there. Please look into that.

And also, sir, another question is, any new branches planned in, like my fellow, Mr. Bharath Raj asked about the North East, especially Jammu and Kashmir, Himachal Pradesh like that. So I

would like to know from you, sir. Sir, another question is, Sir, travelling convenience is steeply increased, Sir. INR414 lakhs versus INR283 lakhs. So what is this steep increase? I would like to know sir. And also, I'm also expecting the bonus. I'm also proposing the bonus, if any. Please consider both sir. No need to split, sir. And also please consider good loans too, if any interest in the shareholders with the minimum interest to shareholders. And also I'm looking for physical annual meet in coming financials. It's get very impact as my co-shareholders already told sir.

And also sir, in festival season, please distribute the compliment to the shareholders who is attending this AGM. It creates a lot of bonding in my company, sir. It's a very small but it's a feeling very good. Okay, so I received the annual AGM link but I have not mentioned the speaker number. Next time, please give me the speaker number, so that no need to wait. Sir, my observation one is, sir, please give separate investor relationship to improve the relationship with shareholders.

Other PSU banks are personally, they are calling and giving the very good respect to the shareholders and also the before AGM, it creates lot of positive towards our company, sir. This is my observation, sir. I would like to thank Ms. Veena G, as a nice person, sir. Nice humility person. Very cooperative, sir. Especially a nice woman, helpful person. Down to earth humility. God bless you, ma'am. I wish all the best for the financial endeavors of the Secretary. I am expecting a call from the company secretary, ma'am but nobody is calling now.

AGM, I know that, but you should take care of the shareholders, investors, grievances also. Please take care of that. Thanks, Mr. Chairman, for giving this opportunity. Mr. Iyer, under your leadership, I will achieve many more higher and our central leadership with support all the Board and Chairman. Thank you so much. I wish good health to you, peace to you. God bless you all. Thank you so much. Namaste.

**Moderator:** Thank you. That was the last question. I now hand over the meeting to the Chairman for further proceedings. Over to you, sir.

**K Satyanarayana Raju:** Thank you for all the questions. Now I request to see Suresh Iyer, MD and CEO to respond to all the questions on operations.

**Suresh S Iyer:** Thank you to all the shareholders, first of all, for the kind words that all of you have expressed and for the support that you have shown to the management and to the Board and to the company, all these years. I will take one by one the questions that are there and some of them are repeat, so we will not repeat the answers to each question every time.

The first question was from Mr. Santosh Kumar Saraf. Mr. Sarafji, thank you for your good wishes. I will answer your few questions. Your first question was on CSR expenses and why it has not been completely utilized? So, we have about INR1.17 crores out of the last year's expenses away, which has not been utilized. Because these projects are ongoing projects that which have been sanctioned.

And as and when the progress happens in these projects, we will be sanctioning them. So there is a small amount of INR1.17 crores left as of now, which also will be completely released before

30th of September. So we are on course for that. And as per the guidelines, also, we have a three year tenure up to which we can complete the expenses after the from the date of the sanction.

You have also asked for the details of the growth. It is already mentioned that, our growth has, we have had a growth of in a loan book of 18% last year. And in a year normally, we are disbursing about 51,000 additional loans that we are disbursing in a year. So that is the second question that you have mentioned. You have also mentioned about the female staff spend, which is 24%, which also we are looking into.

Next question was from Mr. Sastry. Sir, you had mentioned about the number of branches being higher in Tamil Nadu. First of all, let me just clarify that, we have 32 branches in the state of Karnataka as against the 23 that you mentioned. So actually, we have a higher number of branches in Karnataka.

As for the growth that you mentioned, in fact, both the states are very high growth states and among the top five states in terms of the growth potential that the country is seeing in terms of the housing, So, we have a good presence both in Tamil Nadu as well as Karnataka and about 27% of the company's business is coming from the state of Karnataka. So out of the total loan book if you see, 27% is coming from Karnataka and we have 32 branches in Karnataka.

You also sought an explanation regarding, what is the difference between the satellite offices. Actually, 193 are the number of branches, where we have full-fledged team and the sanctioning of loans also happens. The satellite offices, additional 12 that we are having are one-man branches from where the business is sourced, but the loans are eventually booked in the system, in the parent branch, which is the part of the 193.

You had also mentioned about the NPA. Sir, I would like to clarify that, the NPA has actually gone down. It has gone down from 0.64% to 0.55%, in the last year. So I think, that was also clarified by the next, shareholder speaker, that actually the NPA percentage has gone down from 0.64% to 0.55%. It is not an increase actually in the gross NPA level. And the net NPA has also come down from 0.30% to 0.26%.

Sir, you had also mentioned about the deposit raising. Presently, sir, if you would be aware that, the deposit rates last year actually on the higher side and we had other opportunities to raise a lower cost borrowing from the NHB and from the banks, that is why, we have slightly, tried to keep the cost interest costs low.

The third speaker, sir, Pathakji, you had a lot of some questions about the, capital adequacy has gone down, cost of borrowing has gone up, finance cost is higher. So basically, it's the we are in the finance business, obviously, our raw material is finance, it is the money itself. So we have to keep on borrowing, so that we can lend also further.

So, to that extent on the absolute value, it will always keep going up. However, what is more important is that we maintain the spread and we maintain that, the net interest income and the net interest margin also is steady and keeps growing. And that you would see it has happened. And that is why, the profits have also been going up. So just a clarification on that.

You have suggested about growth in other states. We are definitely looking at growth in terms of our branch expand, branch network. We are presently having 205 branches. So we are looking at about 15 branches in the current year. You had also mentioned about the opportunities that are there in the Pradhan Mantri Awas Yojana and the CLSS. We are very much part of this. In fact, we have been a very large contributor or beneficiary of these two schemes. And we have a lot of customers that benefited from this. And wherever possible, as long as the CLSS scheme was on, we have tried to give the benefit to the maximum number of customers under this scheme.

The next speaker, sir, Mr. Shah, sir, thank you for all the detailed analysis that you did on the financials. We thank you for taking so much interest in the financials, sir. You mentioned about the difference between NBFC and banks. Obviously, sir, the NBFCs also have a large role to play and the banks are the primary lenders and the NBFCs also have a large role to play. So, that is there. And thank you for all the analysis and the detailed feedback given, sir.

Chopraji, thank you for joining from Ghaziabad, sir. Your questions, you had mentioned all of them have been taken care, so no additional question. I think all of them are answered. Bharat Rajji, you had asked about the expansion in the northeastern states in Jammu and Kashmir. Sir, we are looking at 15 additional branches during the year, of which we are looking at two branches in the east to start with.

Instead of going on a hop and skip kind of a model, we will be going on a contiguous growth model. So once we establish ourselves in the east in Bengal and all, then we look at taking a step further to the northeast. But we do have plans to add a couple of branches in the east also, this year.

Mr. Galadaji, I am sorry, we could not entirely hear through your questions but the first question was clear and you suggested about NCDs for retail investors as well. We have taken note of that, sir. Abhishekji and Mr. Jayachand, thank you for your feedback. You had inquired about, how the business has been affected during the COVID period. So there were some impact during the COVID period, where business was impacted and movement and construction activities were impacted. But now everything has come back to normal. In fact, the housing market has started growing and is back to the pre-COVID levels now.

We do have a small portfolio of restructured book, which was also mentioned during and which is also covered there, which is now coming out of the restructured. So, the government sponsored COVID restructuring program, was also offered to our customers and we try to help our customers as much as possible to go through this COVID period.

Mr. Mani Sundaram, sir, thank you for your compliments on the annual report. You have also asked about the expansion plan. I think that is already covered. We are looking at an expansion of 15 branches during the year. And we also take a note of your other suggestions and points about the expenses and all those things. We are working on it.

Incidentally, I just like to share that, the cost to income ratio has actually come down during the year. So while the absolute cost, which will as an inflationary trend keep going up, the cost to

income ratio has come down to below 17% during the year. The last speaker Mr. Gundluru Reddeppaji, you did mention about Andhra Pradesh being a new state and the possibilities out there. We would like to just share that, we do have about 10 branches there in Andhra Pradesh. And we have taken note of this new additional district that has been created and we will definitely look at the opportunity to consider that, sir. So I think those are the things.

Other things about the expenses, costs coming down and all, we have taken note of this thing and as management, we will definitely try to work on continuing this growth trajectory and keeping our expenses low and our NPAs also low. So, I have covered most of the questions. I think we can.

**Moderator:** Thank you. Over to Chairman Sir for his closing note.

**K Satyanarayana Raju:** All the items of business as per the notice of the 36th Annual General Meeting have been duly discussed. As mentioned earlier, the e-voting facility will continue to be available for 30 minutes after the conclusion of the meeting. Shri K.N. Nagesh Rao, Scrutinizer will provide his report within the prescribed period and I hereby, authorize the Managing Director to declare the results of voting and place the results on the website of the company. The resolutions as set forth in the notice shall be deemed to be passed today subject to receipt of requisite number of votes. I now declare the proceedings of the Annual General Meeting as completed.

On behalf of the Board of Directors and Management of Can Fin Homes Ltd, I convey our sincere thanks to all the members for participating in this meeting. Please stay healthy, stay safe and take care. Thank you very much. Have a good day.

**Moderator:** I request the members, who have not yet cast their votes, to exercise your votes now by using remote voting facility through NSDL, CDSL or through your DP, within the next 30 minutes. Thank you.