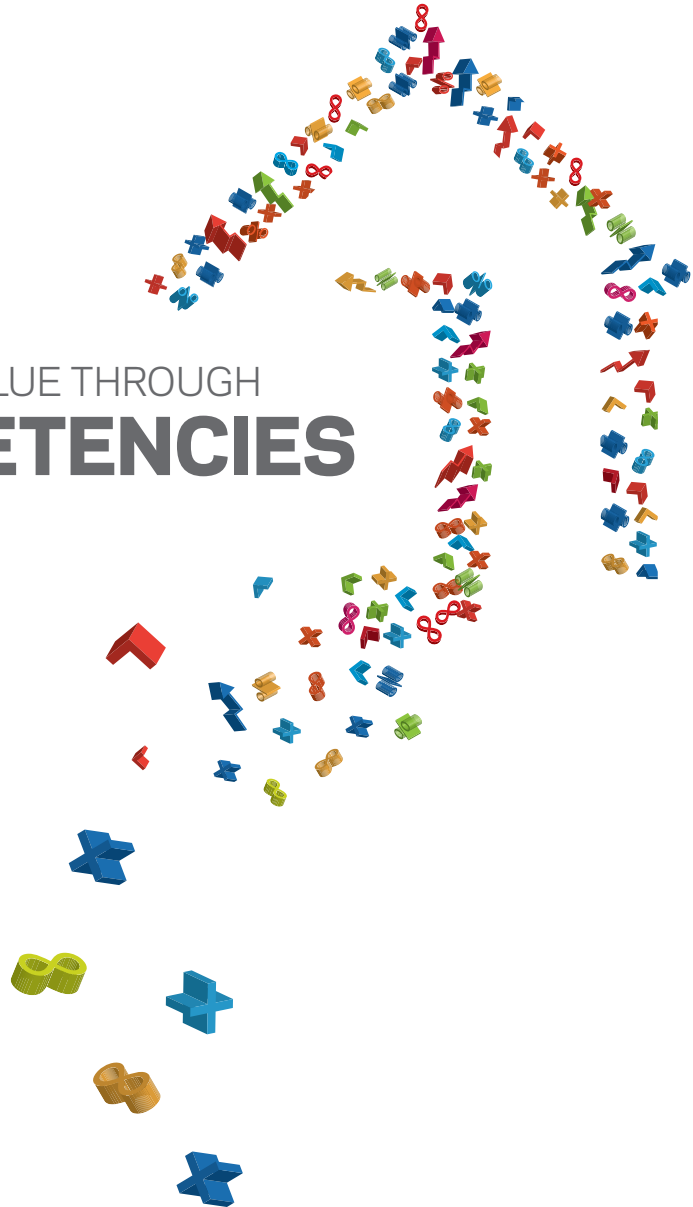


CREATING LONG-TERM VALUE THROUGH
CORE COMPETENCIES



Corporate INFORMATION

Can Fin Homes Limited

Registered Office

#29/1, 1st Floor, Sir M N Krishna Rao Road

Near Lalbagh West Gate, Basavanagudi

Bengaluru 560 004

Tel : 080-26564259, 080-41261144

Fax : 080-26565746

Email : investor.relationship@canfinhomes.com

Web : www.canfinhomes.com

Corporate Identity Number

L85110KA1987PLC008699

Senior Management Personnel

Smt. Shamila M ,DGM, New Delhi

Shri. K S Sathyaprakash (Compliance Officer), DGM RO

Shri. Rm.Veerappan, DGM, Annasalai

Shri. P.Vijaya Sekhara Raju, DGM, Cunnigham Road

Shri. Ajay Kumar G Shettar, DGM, Koramangala

Shri. Atanu Bagchi, DGM & CFO (KMP), RO

Shri. Sudhakar B M, AGM, Vijayanagar

Shri. N.Babu, AGM Kukatpally

Shri. G.K.Nagaraja Rao, AGM, Jayanagar

Shri. Prashanth Shenoy, AGM, RO

Shri. A.Madhukar, AGM, Gachibowli

Shri. V.Durga Rao, AGM, RO

Shri. R.Murugan, AGM, Annasalai

Shri. Prakash Shanbogue B, AGM, Sahakarnagar

Shri. Jagadeesha Acharya, AGM, Uttarahalli

Shri. M.Sundar Raman, AGM, Tambaram

Shri. Sanjay Kumar J, AGM, Noida

Shri. H.R. Narendra, CM, Hesaraghatta

Shri. Prashanth Joishy, CM, Mum-Borivali

Shri. Srinivas Malladi, CM, HYD-Nampalli

Shri. Mallya P S, CM, Kengeri

Shri. A.Uthaya Kumar, CM, Gandhipuram

Shri. Srinivas K, CM, NCR-Faridabad

Shri. D.R.Prabhu, CM, Marathalli

Shri. R.Madhu Kumar, CM, Bhopal

Shri. Arun Kumar V, CM, Basavanagudi

Smt. Veena G Kamath, CM & CS (KMP), RO

Shri. Jayakumar N, CM, Hosur

Shri. S N Venkatesh, CM, Sarjapur

Shri. P Badri Srinivas, CM, Vijayawada

Shri. R Hariharasubramanian, CM, Madurai

Shri. M Naveen Prabhu, CM, Begur

Shri. N Sivasankaran, CM, Trichy

Shri. T T Achuthanand, CM, Vishakapatnam

Shri. Vinayaka Rao M, CM, Electroniccity

Smt. Reshma Mallya, CM, RO

Smt. J Meenakshi, CM, RO

Shri. Santosh Prakash Srivastav, CM, Jaipur

Smt. Chitra Srinath, CM, RO

Smt. Mallika Shetty, CM, Kanakapura Road

Auditors

K P Rao & Co.,

Chartered Accountants

'Poornima', 2nd floor, 25, State Bank Road,

Bangalore - 560-001

Principal Banker

Canara Bank

Prime Corp. Branch

MG Road

Bangalore

Other Bankers

Bank of Baroda

Deutsche Bank

Federal Bank

HDFC Bank Ltd.

Kotak Mahindra Bank Ltd.

Oriental Bank of Commerce

State Bank of India

Registrar & Transfer Agents

Canbank Computer Services Limited

Unit: Can Fin Homes Ltd.,

R&T Center, #218, JP ROYALE, 1st Floor,

Sampige Road, 2nd Main, Near 14th Cross,

Malleswaram, Bengaluru 560 003

Tel : 080-23469661, Email : canbankrta@ccsl.co.in

CIN : U85110KA1994PLC016174

Debentures Trustees

SBICAP Trustee Company Limited

6th Floor, Apeejay House, 3, DinshawWachha Road,

Churchgate, Mumbai 400 020

Tel :022-43025555, Fax : 022-43025500

Email : murali.v@sbicaptrustee.com

Website : www.sbicaptrustee.com

CIN : U65991MH2005PLC158386

29th Annual General Meeting

Wednesday, 20th July, 2016 at 11.00 AM

At J.S.S. Mahavidya Peetha, Shivarathreeswara Centre Auditorium,

1st Main, 8th Block, Jayanagar, Bengaluru 560 082



This Report is also available online on www.canfinhomes.com

Board of Directors

Shri K.N. Prithviraj (DIN:00115317) - Chairman (Independent Non-Executive Director)
Shri C. Ilango (DIN:03498879) - Managing Director (Upto May 18, 2016)
Shri Sarada Kumar Hota (DIN: 07491088) - Managing Director (w.e.f May 19, 2016)
Shri P.B. Santhanakrishnan (DIN:03213653) - Independent Non-Executive Director
Shri S.A. Kadur (DIN:06426095) - Promoter Non-Executive Director
Shri T.V. Rao (DIN:05273533) - Independent Non-Executive Director
Smt P.V. Bharathi (DIN:06519925) - Promoter Non-Executive Director

Board Committees

AUDIT COMMITTEE

Shri P.B. Santhanakrishnan - Chairman
Shri S.A. Kadur - Member
Shri T.V. Rao - Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Shri T.V. Rao - Chairman
Shri C. Ilango - Member (Upto May 18, 2016)
Shri P.B. Santhanakrishnan - Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Shri K.N. Prithviraj - Chairman
Shri C. Ilango - Member (Upto May 18, 2016)
Shri P.B. Santhanakrishnan - Member

NOMINATION AND REMUNERATION COMMITTEE

Shri T.V. Rao - Chairman
Shri P.B. Santhanakrishnan - Member
Smt P.V. Bharathi - Member

RISK MANAGEMENT COMMITTEE

Smt P.V. Bharathi - Chairperson
Shri T.V. Rao - Member
Smt M. Shamila - Member

MANAGEMENT COMMITTEE

Shri C. Ilango - Chairman (Upto May 18, 2016)
Shri T.V. Rao - Member
Shri S.A. Kadur - Member

LISTING OF EQUITY SHARES

CANFINHOME - (Scrip Code : 511196)

National Stock Exchange of India Ltd.,

Exchange Plaza, Plot No. C/1,G-Block,
Bandra Kurla Complex, Bandra East, Mumbai - 400 051

BSE Limited

Floor 25, Phiroze Jeejeebhoy Towers,
Dalal Street, Fort, Mumbai - 400 001

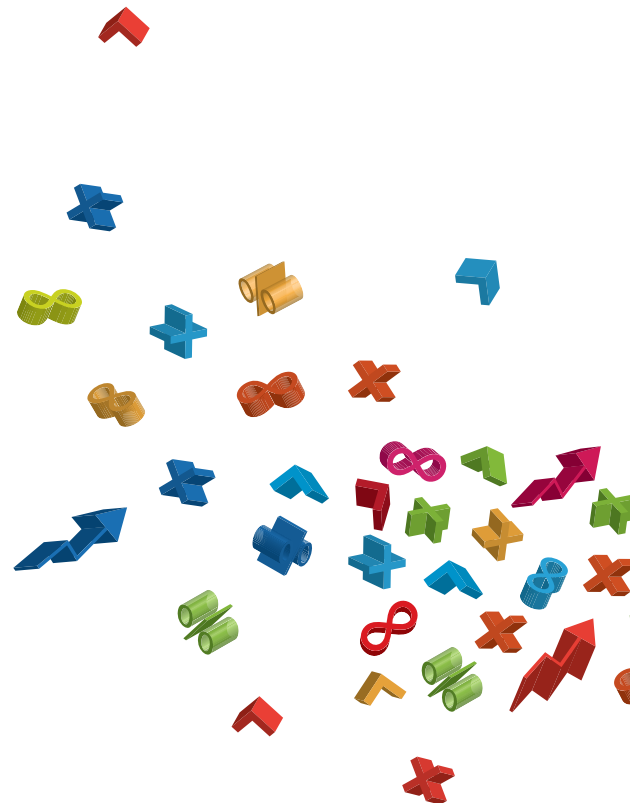
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It's easy to stand out in the short run – when the circumstances are unchanged and the results arrive quicker. Making a difference in the long run demands sound strategy, roots of resilience and an authentic competency at the core of it all. When the competencies are rock solid, they act as the foundations for building the high pillars of futuristic plans and actions. They help to mitigate every unforeseen circumstance and survive even the roughest of economies. Most of all, they help gain unshakeable trust by giving the most important result of all – true value. Hence we stride ahead, with the grand vision of changing lives by making dreams accessible and creating a value that transcends across decades -

WITH SOLELY OUR CORE COMPETENCIES
PAVING THE WAY!





Performance in Focus

OPERATIONAL & FINANCIAL HIGHLIGHTS

I - Statistics on Business

Sl No	Parameters	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
1	Loan Approvals (₹ in Cr)	653	546	1105	2093	2907	3670	4418
2	Loan disbursements (₹ in Cr)	547	473	859	1814	2548	3346	3922
3	Total Loan outstanding (₹ in Cr)	2094	2199	2674	4016	5844	8231	10643
4	Out of 3 above,							
	i. Housing Loans (₹ in Cr)	2065.29	2168.90	2608.62	3808.38	5350.27	7325.49	9381.32
	ii. Non Housing Loans (₹ in Cr)	29.01	30.00	65.77	207.77	493.73	905.80	1261.81
5	Borrowings (₹ in Cr)	1865.32	1903.79	2300.30	3538.89	5268.53	7374.51	9477.67
6	NPA							
	i. Gross NPA (₹ in Cr)	22.46	23.47	19.01	15.66	12.10	14.35	19.76
	ii. Gross NPA %	1.07%	1.06%	0.71%	0.39%	0.21%	0.17%	0.19%
	iii. Net NPA %	NIL	NIL	NIL	NIL	NIL	NIL	NIL
7	Average Assets (₹ in Cr)							
	i. Housing loan	1941.61	2119.40	2305.95	3146.86	4626.88	6261.2	8213.96
	ii. Non Housing loan	27.37	31.06	40.47	103.09	320.32	708.62	1063.91
	iii. Investments	43.47	42.04	38.54	20.82	20.31	20.18	24.36
	iv. Securitised Assets	88.84	43.19	2.55	0	0	0	0
	Total Average Assets (₹ in Cr)	2101.29	2235.69	2387.51	3270.77	4967.51	6990.00	9302.23
8	Average Borrowings (₹ in Cr)	1966.75	1852.60	1993.63	2797.64	4298.98	6388.39	8401.58
9	No. of Branches / Offices							
	i. Branches	40	41	52	69	83	107	110
	ii. Satellite Offices	0	0	0	0	0	10	30
	Total no. of Branches / Offices	40	41	52	69	83	117	140
10	No. of Employees	205	223	251	319	387	491	553

II - Statistics on Income & Expenditure

SL No	Parameters	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
11	Interest Collected (₹ in Cr)							
	i. Housing Loan	201.21	218.94	270.49	359.35	511.61	690.76	896.10
	ii. Non Housing Loan	3.34	3.92	5.82	18.28	44.03	95.76	146.67
	iii. Investment	3.30	3.39	2.94	1.08	1.41	1.37	1.64
	Total Interest Collected (₹ in Cr)	207.85	226.25	279.25	378.71	557.05	787.89	1044.41
12	Processing Charges (₹ in Cr)	5.86	4.96	6.93	13.78	20.69	28.41	38.52
13	Other Income (₹ in Cr)	2.73	0.08	0.65	0.21	0.26	0.73	0.61
14	Total Income (₹ in Cr) (11+12+13)	216.44	231.29	286.83	392.70	578.00	817.03	1083.54
15	Interest Paid (₹ in Cr)	145.00	154.13	195.53	283.01	422.76	610.29	743.48
16	Net Interest Income (NII) (₹ in Cr) (11-15)	62.85	72.12	83.71	95.69	134.29	177.60	300.93
17	Staff Cost (₹ in Cr)	8.27	10.93	11.01	15.73	17.90	24.75	33.06
18	Other Expenses (₹ in Cr)							
	i. Establishment	3.34	3.76	4.53	6.05	7.15	8.38	9.77
	ii. DSA Commission	0.15	0.09	0.94	4.33	6.33	7.56	7.78
	iii. Professional fees - IBS	0.00	0.00	0.00	1.00	1.93	2.39	2.78
	iv. Others incl CSR	4.78	2.07	3.10	4.42	5.38	6.13	6.66
19	Depreciation (₹ in Cr)	0.28	0.34	0.55	1.16	2.01	3.73	3.46
20	Bad Debts written off (₹ in Cr)	0.62	0.00	2.81	3.29	3.22	2.10	3.29
21	Operating Cost (₹ in Cr) (17+18+19)	16.82	17.19	20.13	32.69	40.70	52.94	63.50
22	Total Cost (₹ in Cr) (15+20+21)	162.44	171.32	218.47	318.99	466.68	665.33	810.27
23	Operating Profit (₹ in Cr) (14-22)	54.00	59.97	68.36	73.71	111.32	151.70	273.27

SL No	Parameters	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
24	Provisions & Taxes (₹ in Cr)							
	i. Standard Assets	0.00	0.15	11.00	6.85	8.00	12.00	14.00
	ii. Non Performing Assets	(0.83)	1.31	(3.61)	(8.24)	(3.56)	2.25	5.41
	iii. Income Tax	16.24	17.25	17.80	20.20	30.93	43.23	80.00
	iv. Deferred Tax Liability/(Asset)	(0.60)	(0.75)	(0.58)	0.78	0.24	7.98	16.75
25	Net Profit (₹ in Cr) (23-24)	39.19	42.02	43.76	54.12	75.71	86.24	157.11
26	Share Capital (₹ in Cr)	20.49	20.49	20.49	20.49	20.49	26.62	26.62
27	Reserves (₹ in Cr)	254.40	290.47	327.09	371.68	431.81	744.87	851.42
28	Deferred Tax Liability DTL/(Assets DTA)	(4.32)	(5.07)	(5.66)	(4.87)	(4.86)	21.61	56.87
29	Shareholder's Funds - Tier I (₹ in Cr) (26+27-DTA)	270.57	305.89	341.92	387.3	447.44	771.49	878.04
30	Number of Shares (₹ in Cr)	2.05	2.05	2.05	2.05	2.05	2.66	2.66
31	Tier II Capital (₹ in Cr)							
	- SA Provision	0.15	0.15	11.15	18.00	26.00	38.00	52.00
	- Tier II Bonds	0.00	0.00	0.00	0.00	0.00	100.00	100.00
	Total Tier II Capital (₹ in Cr)	0.15	0.15	11.15	18.00	26.00	138.00	152.00
32	Dividend							
	i. Percentage	20	25	30	40	65	70	100 ¹
	ii. Amount (₹ in Cr)	4.10	5.12	6.15	8.20	13.32	18.64	26.63
	iii. Payout Ratio excl tax %	10.45%	12.19%	14.05%	15.15%	17.59%	21.61%	16.95%
	iv. Payout Ratio incl tax %	12.23%	14.16%	16.34%	17.61%	20.58%	25.36%	20.40%
	v. Dividend yield %	2.50%	2.33%	2.67%	2.94%	3.41%	1.15%	0.87%
33	Book Value (BV) (FV of share ₹10) ((26+27)/30)	134.09	151.69	169.63	191.40	220.80	290.03	330.09
34	Earnings per Share (EPS)(25/30)(₹)	19.13	20.50	21.36	26.42	36.93	32.42	59.02
35	Return on Equity (ROE) % (25 / (26+27))	14.26%	13.51%	12.59%	13.80%	16.74%	11.18%	17.89%
36	Return on Average Asset (ROA) % (25 / 7)	1.87%	1.88%	1.83%	1.65%	1.52%	1.23%	1.69%
37	Closing Stock Price (CMP/NSE) (₹ as on 30th March)	80.00	107.15	112.45	135.90	190.70	607.40	1154.35
38	Market Cap (MC) (37 x 30)(₹ in Cr)	164.00	219.66	230.52	278.60	390.94	1615.68	3070.57
39	CMP/ Earnings (P/E Ratio) (37 / 34)	4.18	5.22	5.26	5.14	5.16	18.73	19.56
40	CMP / Book Value (P/B Ratio) (37/33)	0.60	0.71	0.66	0.71	0.86	2.09	3.50
41	Risk Weighted Assets (₹ in Cr)	1581.60	1598.20	1961.04	2631.41	3421.11	4945.71	4979.64
42	Capital Adequacy Ratio (CAR) % ((29+31)/41)	17.11%	19.14%	18.00%	15.40%	13.84%	18.39%	20.69%
43	Net Interest Margin (NIM) % pa							
	a) Without PC -(16/ 7)	2.99%	3.23%	3.51%	2.93%	2.71%	2.54%	3.24%
	b) Including PC [(16+12)/7]	3.27%	3.45%	3.80%	3.35%	3.12%	2.95%	3.65%
44	Cost to Income Ratio % [(21 / (16+12+13))]	23.55%	22.28%	22.04%	29.80%	26.22%	25.61%	18.67%
45	Average Business Per Branch (₹ in Cr)	57.35	56.71	47.94	49.38	61.65	67.15	86.71
46	Average Business Per Employee (BPE) (₹ in Cr)	11.19	11.68	10.88	11.43	13.90	15.90	18.52
47	Average Yield on Assets % pa (11/7)	9.89%	10.12%	11.70%	11.58%	11.22%	11.27%	11.24%
48	Average Cost of Borrowings % pa (15/8)	8.37%	8.32%	9.81%	10.11%	9.83%	9.55%	8.75%
49	Interest Spread % pa (47 -48)	1.52%	1.80%	1.89%	1.47%	1.39%	1.72%	2.49%
50	Debt Equity Ratio (5/29)	6.79	6.22	6.73	9.14	11.78	9.57	10.79

Note:

1. SL no. 32 for FY 15-16 is subject to declaration at the AGM to be held on July 20, 2016.

2. SL no. 34, 35, 39 if computed based upon average equity (since Rights Issue Capital was received / accounted on March 13, 2015 only) then EPS will be ₹ 41.45, ROE will be 18.20% and P/E ratio will be 14.65% for FY 14-15.

First Impressions

WE ARE CAN FIN HOMES LIMITED



DRIVEN BY THE VISION...

...of promoting home ownership, increasing the housing stock in the country and transforming the lives of Indian households by enabling access to home ownership.



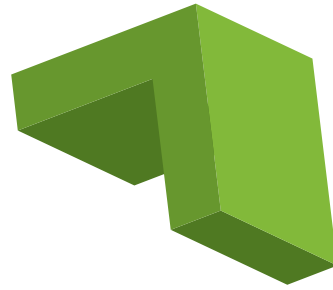
BUILT AS A COMPANY...

...that provides impeccable financial assistance to people's housing requirements. Can Fin Homes Limited (CFHL), was established in the year 1987, headquartered at Bengaluru. Canara Bank, one of the premier public sector banks is the sponsor for our organisation. In fact, our organisation is the first Indian housing finance company to be promoted by a nationalised bank.



MAKING PRODUCTS...

...that are diverse enough to address the different needs of different customers, though housing finance still remains our prime specialisation. Our housing loan products include individual home loans, and many schemes related to the construction or purchasing of properties. We are not just limited to housing loans, but also offer non-housing loans such as mortgage loans, loans against commercial property, site loans, personal loans, flexi-lap and commercial housing loans, among others.



WITH PRESENCE AT BRANCHES...

...which had mainly been concentrated in the Southern part, we are now steadily spreading in other parts of the country. At present, in terms of geographic distribution, 76% of our branch network is present in South, while the remaining are distributed across the country.



STRICTLY FOLLOWING GOVERNANCES...

...which certify us as among the top rung ones in the industry. Since beginning of our journey almost three decades back, today we rank sixth among the largest housing finance companies in India.



Milestones of Triumph

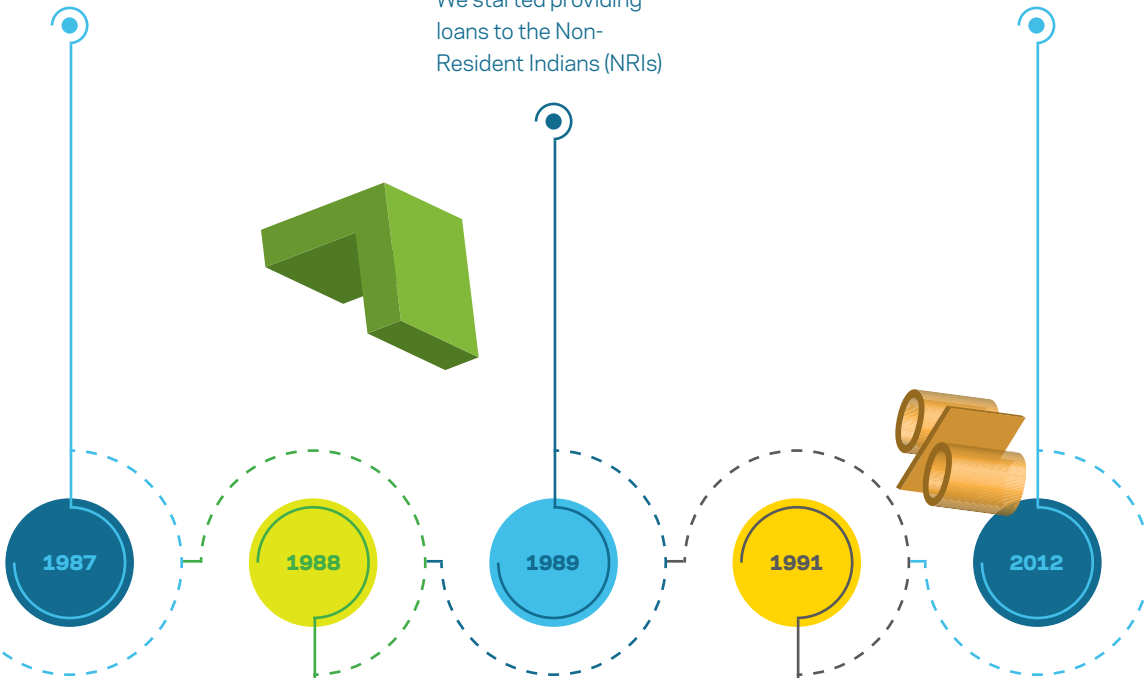
OUR COMPANY'S JOURNEY SO FAR

In our 29 year long presence, we have gone through transformations that has not only secured the expansive future of our company, but has enhanced our credibility well too.

- Our disbursements crossed ₹1,000 Crore
- Our 50th branch was inaugurated at NCR-Pitampura
- We completed 25 years of existence

Inaugurated our first branch at Jayanagar, Bengaluru on December 26, 1987

We started providing loans to the Non-Resident Indians (NRIs)



1987

1988

1989

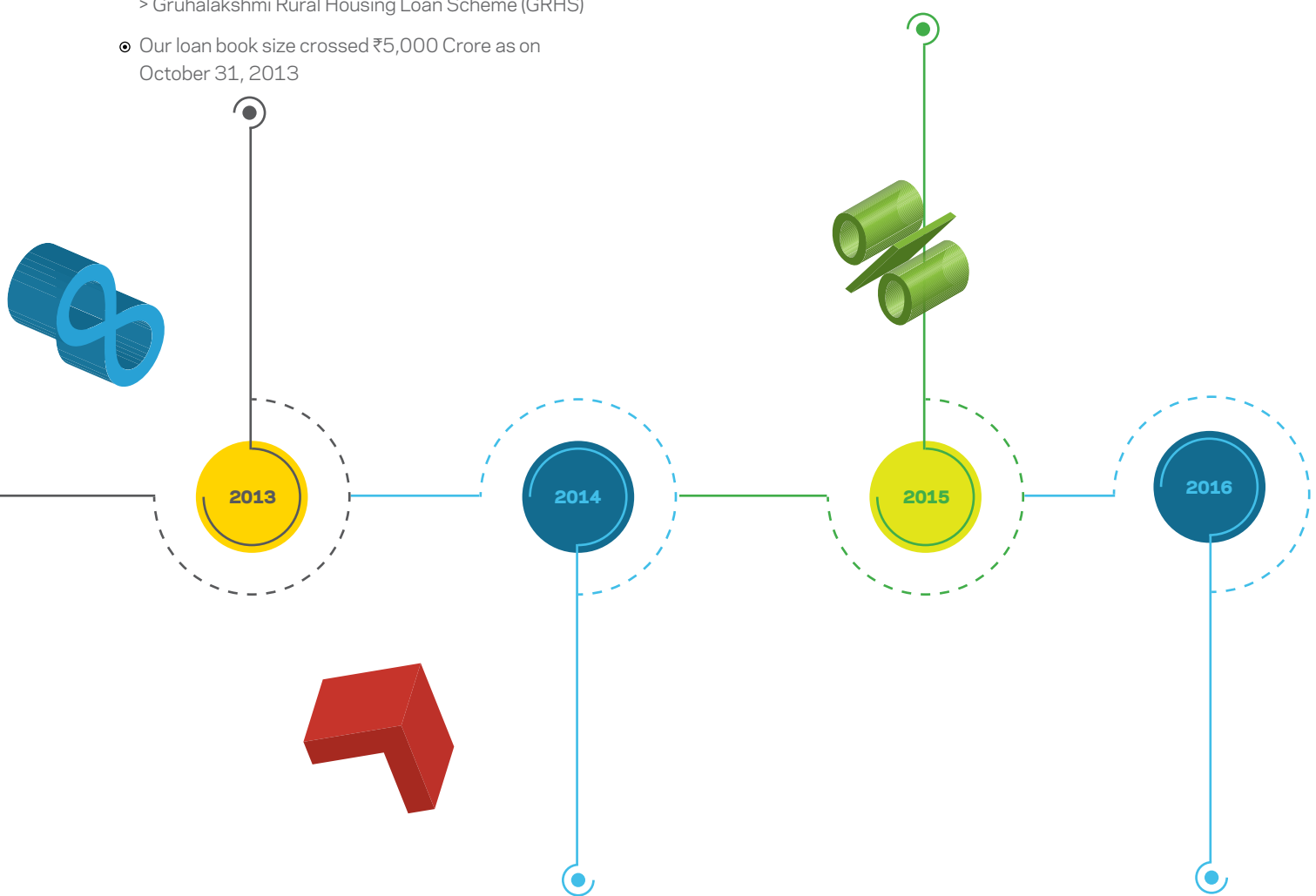
1991

2012

Opened our first branch outside South India at Delhi

Our loan book size crossed ₹100 Crore

- We linked all our branches on an online banking platform (Integrated Business Suite) under the ASP (Application Service Provider) model. This was done to deliver effective service to our customers.
- We introduced three new loan products in our portfolio:
 - > Loans under Urban Housing (LUH)
 - > Flexi LAP (Flexible Loan Against Property)
 - > Gruhalakshmi Rural Housing Loan Scheme (GRHS)
- Our loan book size crossed ₹5,000 Crore as on October 31, 2013
- We became midcap (₹1,000 Crore) size company (January 05, 2015)
- Our share price crossed ₹1,000 on stock exchange (NSE & BSE) on October 9, 2015
- Our net profit surpassed ₹100 Crore as on December 31, 2015
- We expanded our presence to 19 States/Union Territories
- We raised capital of ₹ 276 Crore under Rights Issue



- Our operating profits crossed ₹100 Crore
- We received AAA Rating for loans / NCD, A1 for CP
- We opened our 100th branch office at Begur on July 5, 2014
- We registered our first satellite office at Yelahanka on September 3, 2014

- We opened 120th branch and 50th satellite office
- Our loan book surpassed ₹10,000 Crore (on January 31, 2016)
- Our market capitalisation surpassed ₹3,000 Crore as on March 31, 2016

MD Speak

MESSAGE FOR OUR SHAREHOLDERS



Shri C. Ilango
Managing Director

Dear Shareholders,

As far as the economic strength of India is concerned, the year under review has been quite promising. India's GDP grew by 7.6% in the current financial year. As on April 2016, the CPI inflation rate stood at 5.39%, which has justifiably complemented the nation's economic growth as well as reduced bank interest rates. In the recent budget, the Indian government has planned to maintain fiscal deficit at 3.9% of GDP for the FY 16-17.

Housing Finance Companies (HFCs) have been successful at escalating their market share while narrowing the difference with banks, assisted by low NPAs and competitive lending rates. As per the vision of 'Housing for All by 2022', the government has been aiming to supply affordable homes to majority of the population. In addition to that, the Real Estate Regulatory Act, that has been passed by both the houses at the end of this financial year has also brought forward the scope for development of the sector. In the upcoming years, certain long term goals and initiatives of the government are likely to raise demand for houses thereby eventually raising the demand for home loans.

While we grew our disbursements at 17% y-o-y, the operating profit growth was a benchmark, as it surged 80% to ₹273.26 Crore in the current year, compared to ₹151.70 Crore in FY 14-15. This was backed by our fundamental strengths in business - prudent lending, vigilant credit mechanism and effective collection system.

When compared against such evolving scenarios as the backdrop, the FY 15-16 has been reasonably good for us. We expanded our presence to wider areas and in the process, also achieved some significant milestones. We stuck to our long-standing philosophy of empowering lives of people and promoting ownership of homes by following the strategy to expand our business as well as strengthen our liquidity. While we grew our disbursements at 17% y-o-y, the operating profit growth was a benchmark, as it surged 80% to ₹273.26 Crore in the current year, compared to ₹151.70 Crore in FY 14-15. This was backed by our fundamental strengths in business - prudent lending, vigilant credit mechanism and effective collection system.

While the operating profit claimed the position of our biggest highlight of the year, we also witnessed growth on various other financial parameters. Our sanctions grew y-o-y by 20% to ₹4,418 Crore; outstanding under non-housing loans has increased by 39% over last year and we maintained our Capital Adequacy Ratio (CAR) at 20.69% (well above the industry benchmark). Striking the right balance across all financial parameters has helped us strengthen our investors' confidence in the company. Incidentally our share price increased to ₹1,154 in March 2016 from ₹607 during the same period last year.

These positive financial numbers were also a result of high operational excellence. We continued our branch expansions, taking the count of our total branches to 110 as on March 31, 2016. Of these, a total of 76% branches are in South India and 17% of branches are in Bengaluru city. Our target customer segment continues to be salaried professionals who aspire to have their own homes. Urbanisation continues its upward

trajectory in this region, and with our easy finance mechanisms in place, we believe we are perfectly striding towards our ambitious 'Vision 2020' goals.

Along with growing our disbursements, we also managed to grow our customer base with diverse financing requirements. We reduced our average ticket size to ₹17.36 Lakh, of which 95% of the loans were granted in the affordable housing segment. Our stringent credit mechanism has helped us maintain Non-Performing Assets (NPA) for the FY 15-16 at 0.19% - which is well below the industry average of 0.70%. This, in turn, helped us strengthen our margin levels as we increased our Return on Equity (ROE), Return on Assets (ROA) and Net Interest Margin (NIM) to 17.89%, 1.69% and 3.24% respectively.

Margins were improved as we continued to diversify our borrowings, thereby increasing the proportion of our borrowings through money market instruments such as Commercial Papers (CP) & Non-Convertible Debentures (NCD). This has substantially reduced our cost of borrowing, which stood at 8.75% by the end of the March 2016 from 8.99% as on December 2015. We further expect to scale down the borrowing cost and strengthen the margin levels as we progress. This will be backed by the combination of strict cost management and cost reduction programmes, started by us in the current financial year which resulted in high profit and margin levels.

As we continue to make progress towards our 'Vision 2020' targets, we have come to realise that the current market conditions are inevitably concentrating on the risks that exist within the Indian economy. It is, however, important to recognise yet again the unbeatable resilience that our business model and balance sheet strength provide, which will undoubtedly help us maintain sustainability in our performance.

We stride towards the next fiscal with the clear strategy of creating long-term value backed by our core competencies. Our competent employee force and management team went the extra mile, consistently, throughout the previous fiscal to meet the demands placed on them by our customers, regulators and investors. I would like to put on record the Board's appreciation for that commitment and sincerity and our gratitude for all that they have achieved.

In the end, I wish all the best to Mr. Hota who has taken over the charge from me w.e.f. May 19, 2016, for pursuing quality growth in future.

Best Wishes

C. Ilango
Managing Director

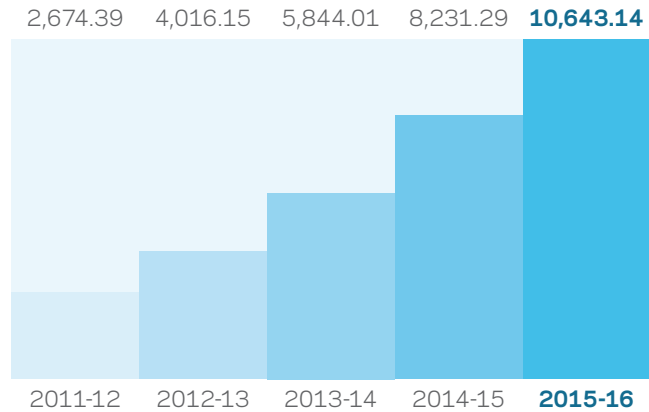


In the Books

A GLANCE AT OUR FINANCIAL HIGHLIGHTS

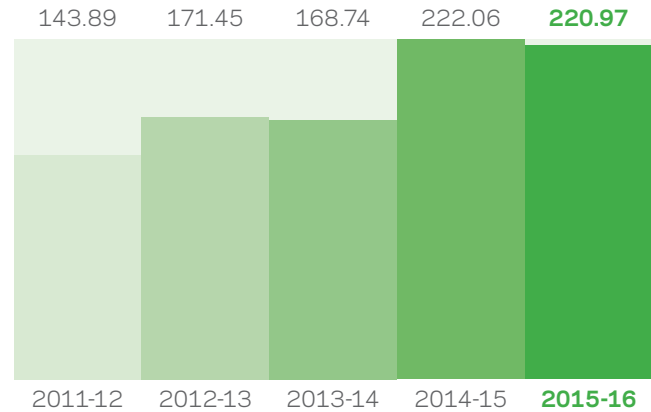
LOAN BOOK

(₹ in Crore)



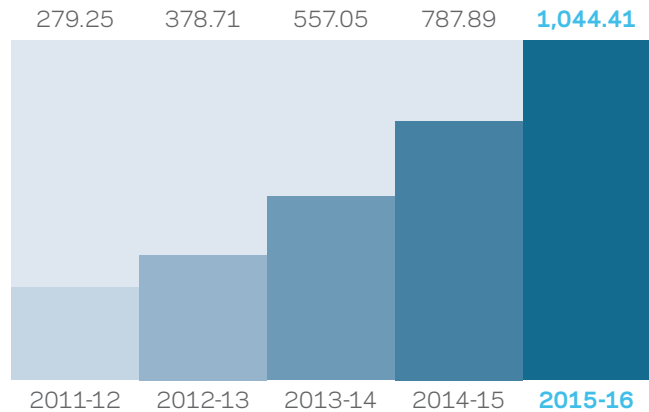
DEPOSIT BASE

(₹ in Crore)



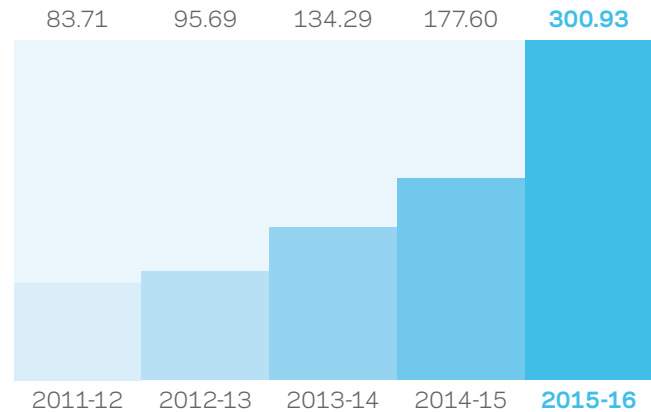
INTEREST INCOME

(₹ in Crore)



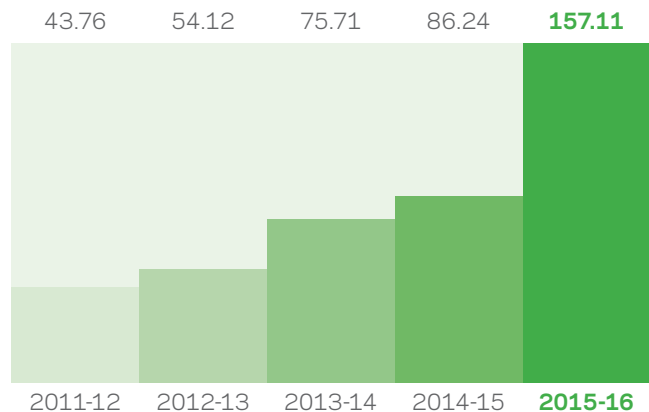
NET INTEREST INCOME

(₹ in Crore)



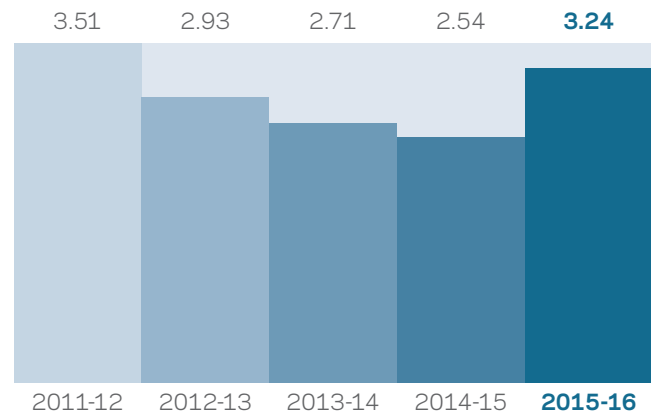
NET PROFIT

(₹ in Crore)

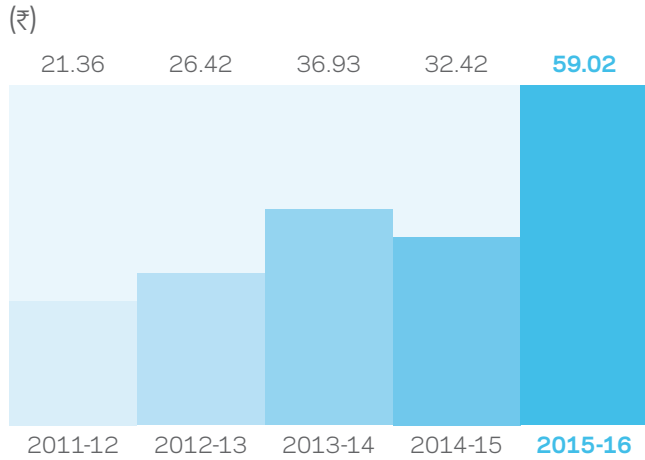


NET INTEREST MARGIN

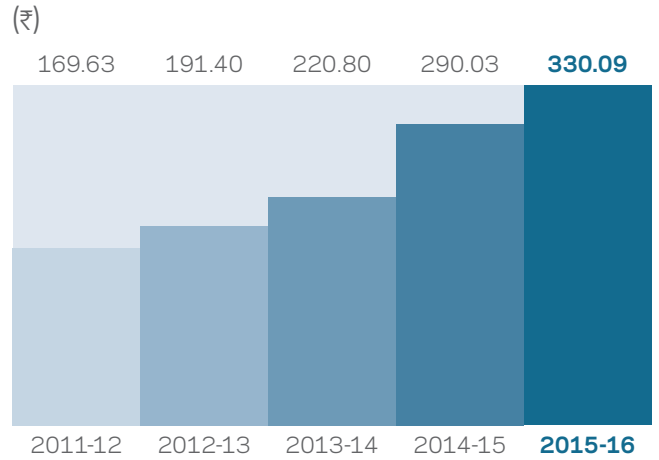
(%)



EARNINGS PER SHARE



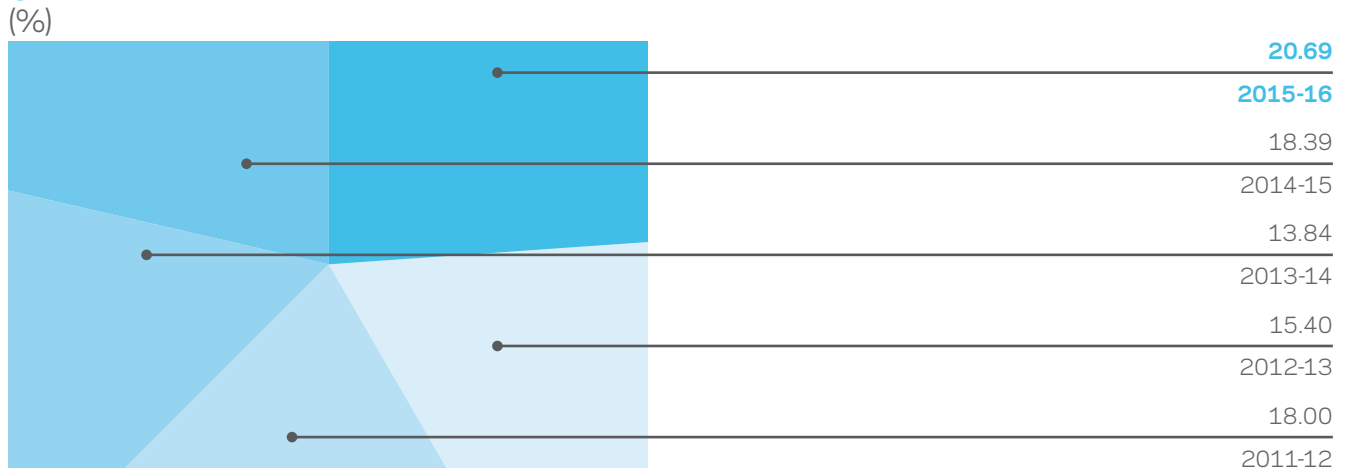
BOOK VALUE PER SHARE



ROE

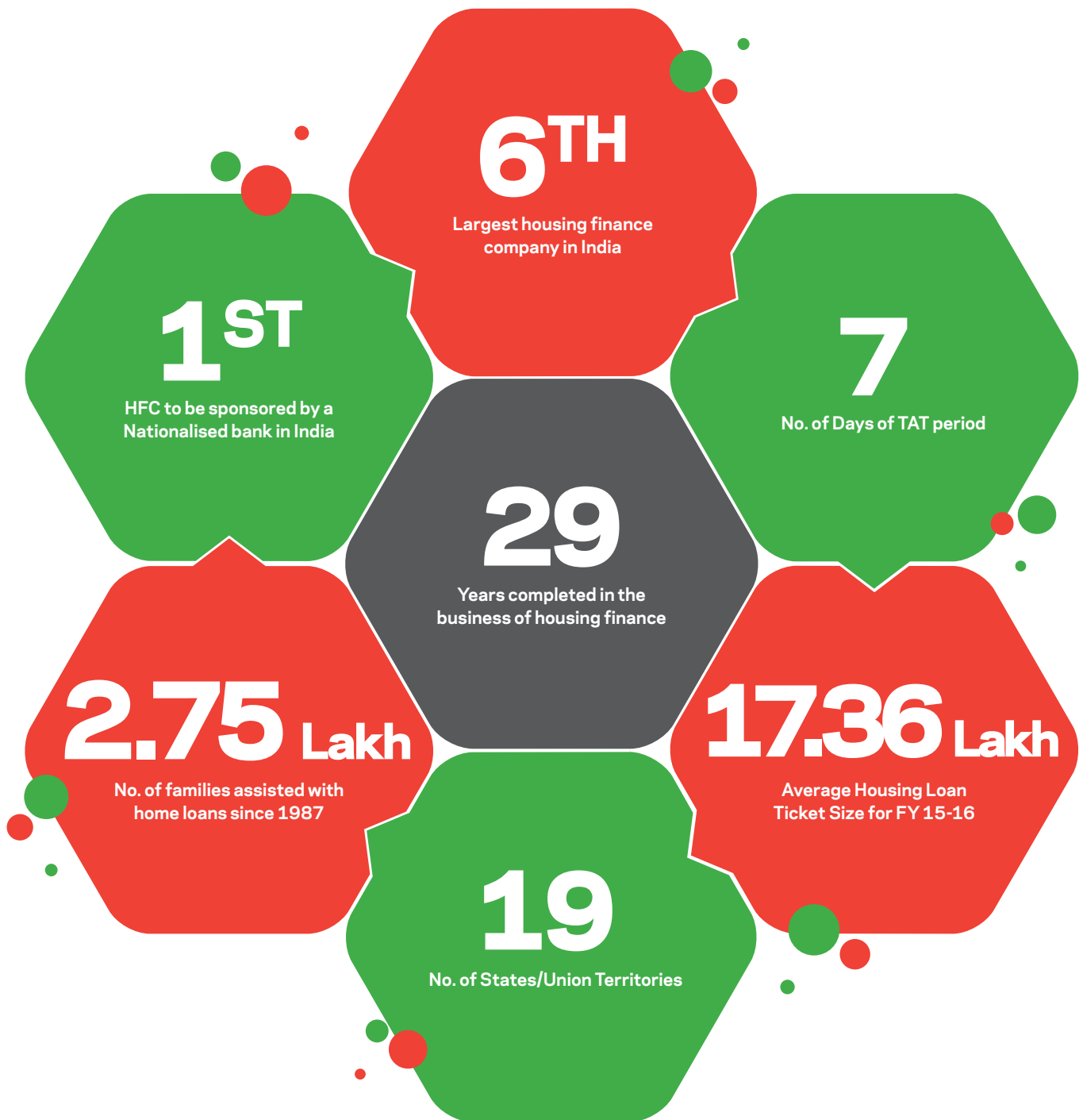


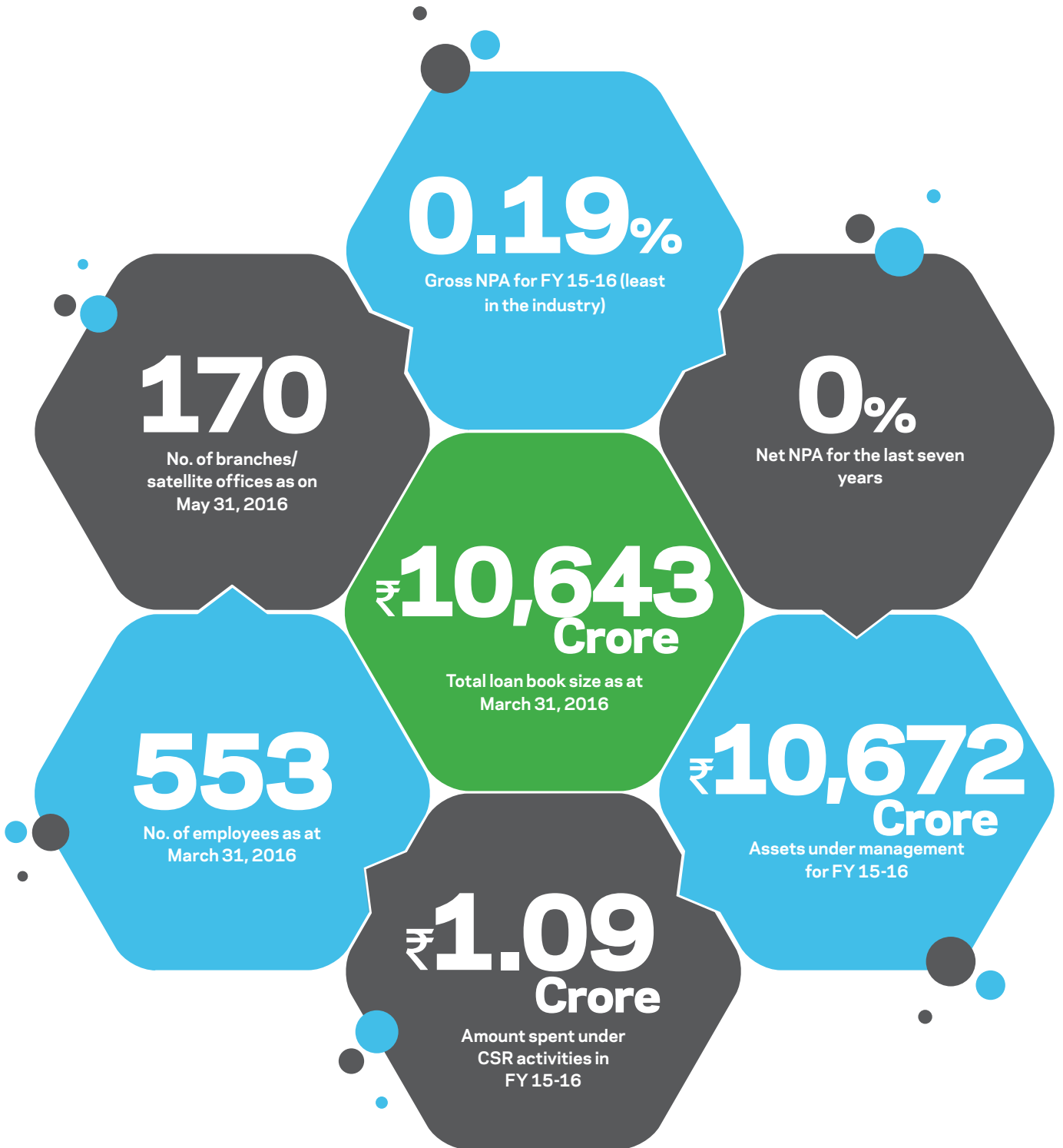
CAR



Digits of Pride

SNEAK PEEK AT OUR BIG NUMBERS





The Unique Edge

ADVANTAGES THAT SET US APART

EXTREMELY EFFICIENT CREDIT MANAGEMENT

We have a robust credit policy and recovery policy. Our systems of strong credit appraisal, credit monitoring, SMA/NPA follow up ensured good asset quality and regular returns to us. We have registered good results continuously - we reduced our chances of defaulting credit and maintained the lowest NPA in the Indian housing finance industry.



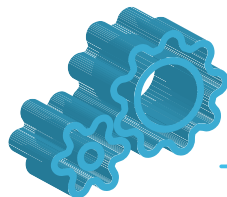
ALL ENCOMPASSING GEOGRAPHICAL REACH

We have been successful in expanding our presence across extensive parts of country at a significant pace during last few years. With 170 branches/satellite offices distributed across 19 States/Union Territories of India as on May 31, 2016, reaching more customers across different territories of the nation has been easier, which in turn has ensured a sustained advancement of our loan book.



JUDICIOUS INVESTMENTS IN TECHNOLOGY

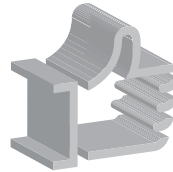
Investing in technology to make things easier for our customers has always been a priority. In 2013, we linked all our branches on a centralised platform (like a core banking platform) under Application Service Provider (ASP) model. Facilities of ECS, online transfer of funds, online application, SMS alerts, customer feedback through web portal etc. are available to customers making processes simple. In the foreseeable future, we plan to further our investments in technology for minimising our distance with our customers.



CONSISTENT OPERATIONAL EFFICIENCY



We have created a space for highly efficient operations (quick credit appraisals, credit monitoring, NPA/SMA follow up, centralised transactions and generation of quality MIS), which do not waver under any circumstances. We are well appreciated for our Turn-Around-Time (TAT) of approximately 7 days, which is incidentally among the lowest TATs.



UNDIVIDED ATTENTION TO CUSTOMERS

Our employees are well trained to interact with customers and listen to their needs. Our focus on good behavior and quick responses ensures that we are able to create and truly sustain customer relationships for years.



RECRUITING SMART LOCAL TALENT

We believe that only local persons will really understand, communicate & connect with the customers of a same region in better ways. Hence, hiring local talent has been our primary strategy in creating comfort to serve local clientele adding credibility, building customer trust and turning the customer's aspirations into reality.



TRANSPARENT GOVERNANCE

Maintaining a transparent business practice is one of our prime philosophies at CFHL. We ensure no hidden charges, ethical practices in corporate governance and uncompromised transparency in our business.



Progressive Connections OUR HIGH VALUE NETWORK



76%

Share of branches / satellite offices in South India

175

Expected number of branches / satellite offices at the end of FY 16-17

20

New satellite office added in FY 15-16

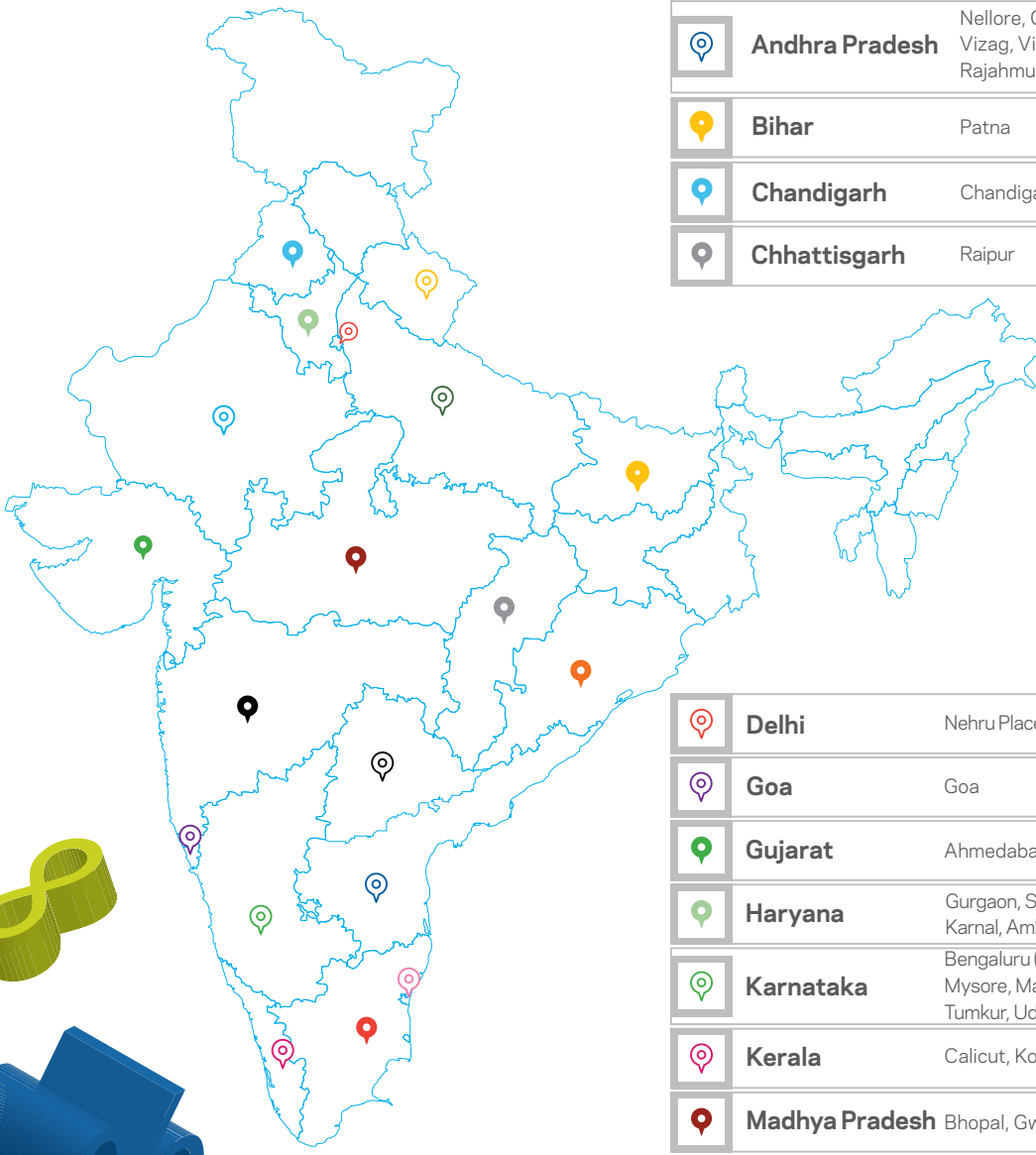
19





Branches in Bengaluru

9

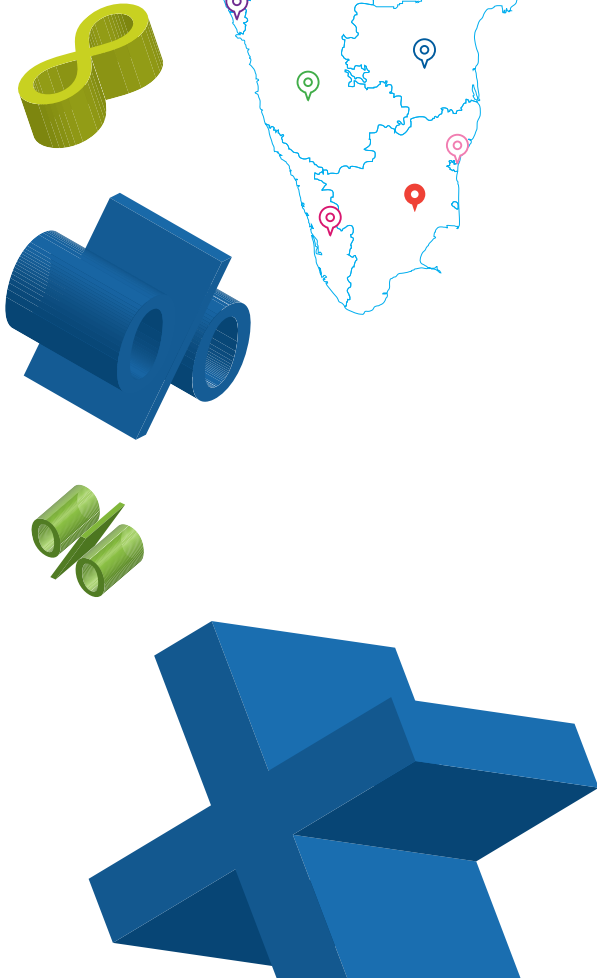
Satellite offices in Bengaluru

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 and satellite offices on May 31, 2016



	Andhra Pradesh	Nellore, Ongole, Tirupathi, Guntur, Kakinada, Vizag, Vizag Steel Plant, Vijayawada, Rajahmundry, Kurnool, Vizianagram
	Bihar	Patna
	Chandigarh	Chandigarh
	Chhattisgarh	Raipur

	Delhi	Nehru Place, Pitampura
	Goa	Goa
	Gujarat	Ahmedabad, Vadodara
	Haryana	Gurgaon, Sonapat, Faridabad, Dharuhera, Rohtak, Karnal, Ambala
	Karnataka	Bengaluru (19 branches), Davanagere, Hubli, Mysore, Mangalore, Mandya, Belgaum, Shimoga, Tumkur, Udupi
	Kerala	Calicut, Kochi, Thiruvananthapuram, Thrissur
	Madhya Pradesh	Bhopal, Gwalior, Indore
	Maharashtra	Navi Mumbai, Mumbai, Nagpur, Panvel, Pune, Nashik, Kalyan
	Odisha	Bhubaneswar
	Pondicherry	Pondicherry
	Rajasthan	Jaipur, Kota, Udaipur, Jodhpur, Ajmer
	Tamil Nadu	Hosur, Chennai (9 branches), Madurai, Namakkal, Trichy, CBE-Gandhipuram, Salem, Tirupur, Kumbakonam, Erode, Thiruchengode, Dindigul, Karur, Virudhunagar, Tirunelveli, CBE-PN Palyam, Thoothukudi, Vellore
	Telangana	Hyderabad (7 branches), Warangal, Karimnagar, Khammam
	Uttar Pradesh	Lucknow, Meerut, Agra, Varanasi, Kanpur, Allahabad, Noida, Greater Noida
	Uttarakhand	Dehradun



Profile of the BOARD OF DIRECTORS

SHRI K.N. PRITHVIRAJ, Chairman



The Chairman of the Board of Directors, Shri K.N. Prithviraj was appointed as Director on June 4, 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 45 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 India (SUUTI) in 2007 and also as its Nominee Director on the Board of Axis Bank Ltd. (2008-2016). Presently he is also Independent Director in a few other Companies.

SHRI C. ILANGO, Managing Director (April 29, 2011 to May 18, 2016)



Shri C. Ilango has been the Managing Director since April 29, 2011. A Post-Graduate Degree holder in Agricultural Science viz., M.Sc., (Agri) and a CAIIB, Shri Ilango began his illustrious career as an Officer in Canara Bank in the year 1980. During his tenure in the Bank he had efficiently headed multiple branches. Shri Ilango is a senior banker with over 31 years of pan India commercial banking experience before joining CFHL. Immediate prior assignment was Deputy General Manager in the Audit Department of Canara Bank, Head Office, Bengaluru. Presently he is the General Manager of Canara Bank. He resigned from the Board on May 18, 2016 and repatriated to parent Bank upon completion of regulatory maximum of five years for deputation.

SHRI SARADA KUMAR HOTA, Managing Director (Since May 19, 2016)



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

Shri Sarada Kumar Hota (S K Hota), a Post-Graduate Degree holder in Agricultural Science, is a senior banker with over 25 years of commercial banking experience having served across the Country.

Prior to his posting to the Company he was the Deputy General Manager and 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

Shri S K Hota was appointed as the Whole-time Director of the Company during April '16. On repatriation of Shri C. Ilango, General Manager, to the parent Bank, Shri S K Hota has been appointed as the Managing Director of the Company.

SHRI P.B. SANTHAKRISHNAN, FCA



Shri P.B. Santhakrishnan was appointed as a director of the Company with effect from February 16, 2012. A degree holder in Science and a Fellow of the Institute of Chartered Accountants of India (ICAI), he is a senior partner of M/s P.B. Vijayaraghavan & Co., Chartered Accountants, Chennai, which is also the Central Statutory Auditors of the Life Insurance Corporation of India. He has a rich experience in auditing for corporate and non-corporate entities, including PSUs and public sector banks. He is also engaged in consultation of tax matters and representation before SEBI/ SAT/CBDT & ITAT on Corporate and Income Tax matters. Shri Santhakrishnan is a former member of the RBI Committee on RTGS. He has held various prestigious positions in other organisations and has 35 years worth of experience in his profession. He was also a Director in Oriental Bank of Commerce till September 2014. At present, he is a director on the Board of Tamil Nadu Minerals Ltd (A Government of Tamil Nadu undertaking).

SHRI S. A. KADUR



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 32 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



Appointed as Director of the Company with effect from February 01, 2014. Shri. 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. There after, 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. Rao has over 39 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, Kisan Mouldings Ltd, Mumbai; Electronica Finance Ltd, Pune; Natco Pharma Ltd, Hyderabad and Director on the Board of Fidas Tech (Pvt) Ltd, New Delhi.

SMT. P.V. BHARATHI



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. Bharathi joined Canara Bank on 6th Dec 1982 and has more than 33 years of experience in the banking industry. She has served in different branches in the NCR Region and Tamil Nadu. At present, Smt. Bharathi is the General Manager, Retail Assets Wing Canara Bank, Head Office, Bengaluru and also a Director on the Boards of Canbank Venture Capital Ltd, Canara HSBC OBC Life Insurance Co. Ltd. and Cordex India Pvt Ltd., as a nominee Director of Canara Bank.

Agents of Change

OUR EFFORTS TOWARDS A BETTER WORLD

At Can Fin Homes, there is a dedicated framework which helps us ensure that we touch many lives and contribute towards building a better world. We want to be valued and trusted by our stakeholders as a valuable housing finance company. That means operating in a way that recognises the interconnection between business growth, the needs of society and the limitations of our planet.



CSR team

A dedicated team of members meets regularly to provide external insight, feedback and advice to help the Company reach out to wider cross section of people. The team identifies opportunities across 'education' and 'women empowerment' to positively contribute to as many lives as they can.



Stakeholders

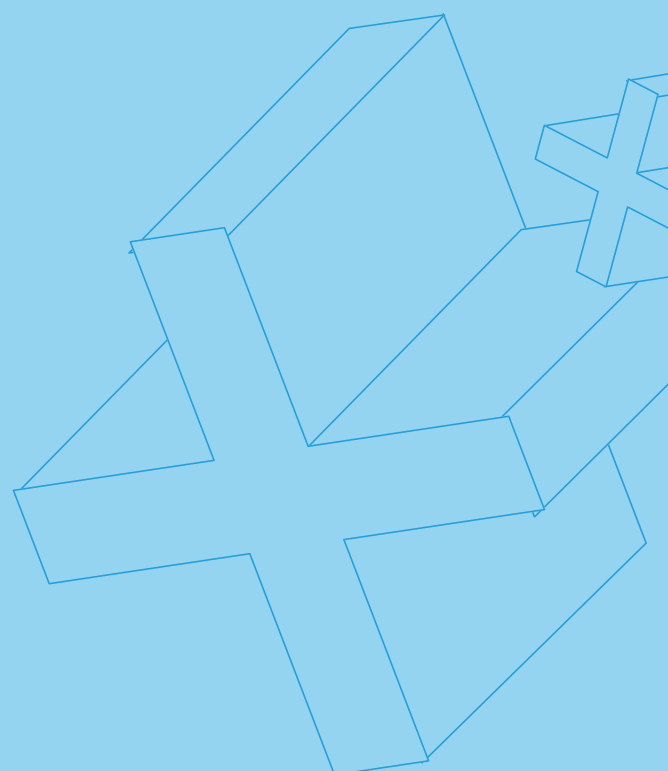
The team interacts with stakeholders, which takes place with a range of socially responsible issues or concerns that are raised and discussed.



We specifically work towards 'Education' and 'Women empowerment' as our focus area.

During the year, we focused towards providing basic infrastructural facilities to government schools by way of providing desks, tables, chairs, almirahs, school bags, note books etc, and renovation/repair of the school buildings.

As against the budgeted Corporate Social Responsibility (CSR) amount of ₹3.72 Crore for FY 15-16, we sanctioned ₹3.03 Crore for 143 different CSR projects received from 76 branches. Out of the sanctioned amount of ₹3.03 Crore, an amount of ₹1.09 Crore has already been spent towards approved CSR activities and the remaining are under progress. The unspent amount of ₹2.63 Crore is carried forward to FY 16-17.



Statutory REPORTS



STATUTORY REPORTS

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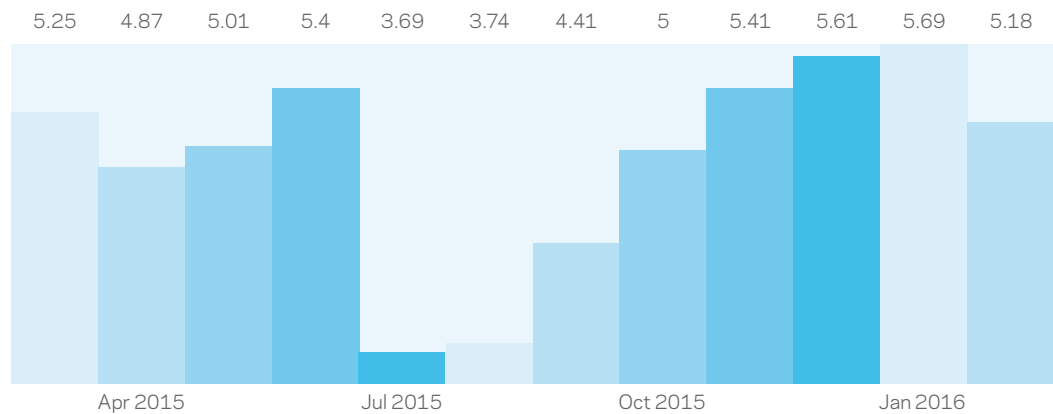
Management Discussion AND ANALYSIS

Indian Economy

The Indian economy has been witnessing a steady rise in GDP since the change took place in the central legislature last year. The economic value-added for the FY 15-16 stood at 7.6%, showcasing the impact of reforms brought in by the new government. In order to continue India's strong growth trajectory in the years to come, the government has been working on several monetary policies and reforms. The inflation rate stood at 5.39% as of April, 2016, which is marginally higher than the government's target of 5% for the fiscal. On the other hand, the Reserve Bank of India (RBI) has cut down bank interest rates for borrowing to 7% w.e.f. April 2016.

Trading Economies

(India inflation rate in %)



(Graph Source: IBEF)

While the market share of NBFCs in the housing finance industry for the FY 08-09 was 26%, it has increased to 38% as on December 2015. On the other hand, share of banks has, therefore faced a downfall from 74% in FY 08-09 to 62% in FY 14-15.

Currency volatility

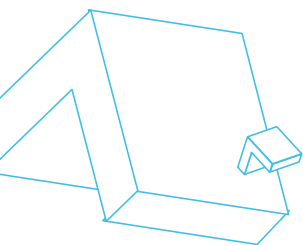
The Indian Rupee has further depreciated and as per the recent data, USD's valuation has been raised by 7.63% in the current financial year. As a result, more foreign investors are willing to yield benefits from the golden opportunity of investing in India. With the recent positive reforms proposed in the real estate sector, investing in the sector is indeed a welcome proposition for the foreign investors.

Industry overview

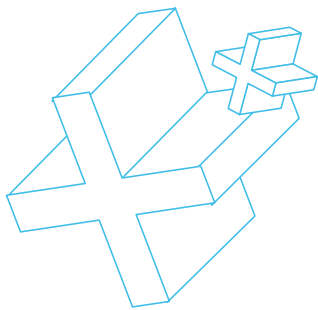
Real estate scenario

The real estate sector is amongst the most profitable and growing sectors in India. After agriculture, real estate sector is the second highest employer in the country. Currently, about 7% of the nation's GDP is contributed by real estate sector, which is estimated to increase to about 13% within 2028. In FY 14-15, 50% of all the investments made in India are concentrated in the real estate sector, as compared to 26% in FY 12-13. In terms of impact on all other industries, the construction sector ranks 3rd out of 14 major sectors. It is expected that the market size of the Indian Real Estate is to increase at a Compound Annual Growth Rate (CAGR) of 15.2% between FY08 and FY28. Currently, the market value of the industry is US\$ 93.8 billion as in H1 FY 14-15. The market size is projected to reach US\$ 180 billion by FY 19-20 and US\$ 853 billion by FY 27-28. Currently, the urban population of India consists of more than 400 million people. The number is estimated to reach about 814 million by 2050. Therefore, the demand for adequate homes is all set to witness a boost in the upcoming years. (Source: IBEF)

Given the rising credibility of the real estate industry, more and more money has been invested in the sector for the last few years. As per the IBEF reports as on September 2015, the Private Equity (PE) funds have invested nearly US\$ 2.4 billion in real estates in about 53 transactions. In comparison to that, during the same period last year, PE investments counted US\$ 1.3 billion across 57 transactions. In Foreign



In Foreign Direct Investments (FDI), real estate is the fourth largest sector as far as inflow is concerned. The Indian Government has allowed up to 100% FDI for township projects and settlement developments.

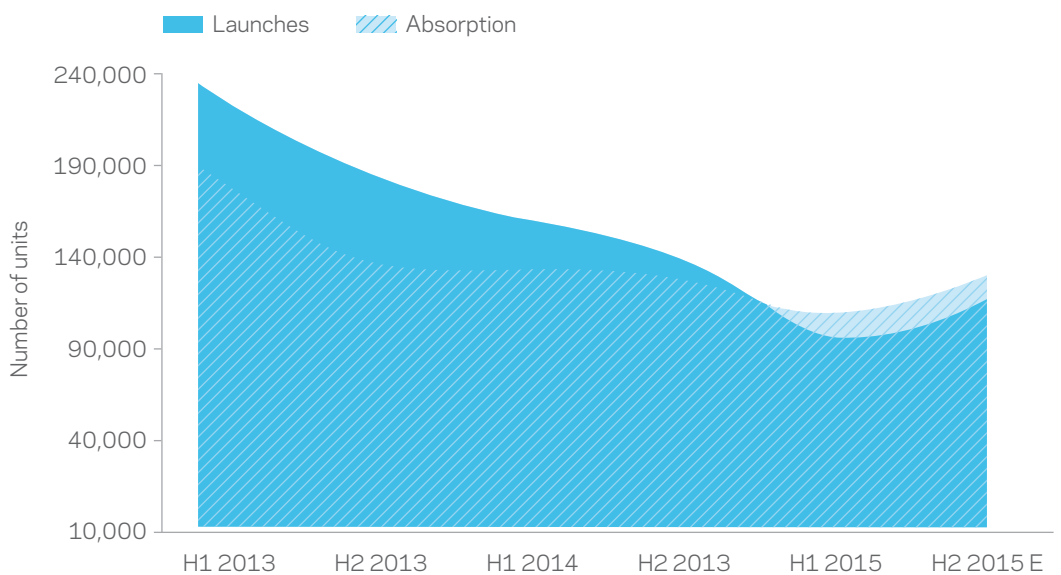


Direct Investments (FDI), real estate is the fourth largest sector as far as inflow is concerned. The Indian Government has allowed up to 100% FDI for township projects and settlement developments.

With the passing of Real Estate (Regulatory and Development) Act, 2016 w.e.f. May 01, 2016, both the house builders and consumers are to be benefitted with better governance and more transparency. It is estimated that this Act is about to boost demand for homes among people and hence demand for housing loans will increase.

Residential Estates

During the first half of FY 14-15, the volume of sales of residential projects had dropped by 19% as compared to that of the previous year. On the other hand, the launch of newer projects witnessed a huge downfall of 45% in the same period.



(Graph Source: Knight Frank Research)

As far as new property launches are concerned, Bengaluru emerged as one of the better performing markets. This metropolitan city witnessed the highest launches of 15,000 units, followed by Ahmedabad and Pune with 13,000 and 12,000 unit launches respectively. In Bengaluru, most launches were made in the ₹5-7.5 million luxury segments, while the market witnessed the lowest launches, i.e. 2% in the affordable segment of less than ₹2.5 million. On the other hand, Mumbai witnessed about 50% of its residential property launches below ₹5 million ticket sizes. In terms of affordability, National Capital Region (NCR) tops the chart. About 57% of the total new launches in NCR are below the ticket size of ₹2.5 million.

In order to provide affordable housing to more people and to boost the supply, the Indian government has announced several new schemes in the Budget FY 15-16. The ministry has proposed to allow 100% deduction in profits for projects that do not exceed 30 sq m in metropolitan cities and 60 sq m in other cities in India. The proposal is mainly to achieve the government’s vision of ‘Housing for All by 2022’. Under the policy, about 20 million houses are planned to be developed within 2022 in urban areas and 20 million houses in rural areas. Government has come out with Credit Linked Subsidy Scheme (CLSS) under Pradhan Mantri Awas Yojana (PMAY).

Housing industry

In India, about 90% of the total demand for housing is constituted by demand for affordable homes. The recent announcements made by the Finance Minister would certainly boost the confidence of house builders and at the same time provide shelter to many. Apart from the 'Real Estate Regulatory Act, there are certain other initiatives taken by the government for uplifting the Indian housing sector. 'Housing for all' vision is expected to attract investors to build more houses in both rural and semi-urban areas. On the other hand, the smart city project is about to develop infrastructure in 100 cities. In addition to that, the Atal Mission for Rejuvenation and Urban Transformation (AMRUT) policy initiated by the government is likely to boost the infrastructural growth of the nation by developing 500 cities across the country. Implementation of such policies would not only make the environment healthy for the investors and home seekers, but would increase the demands for home loans. Hence, the Real Estate sector has ample opportunities ahead that has to be utilised in order to increase its GDP contribution.

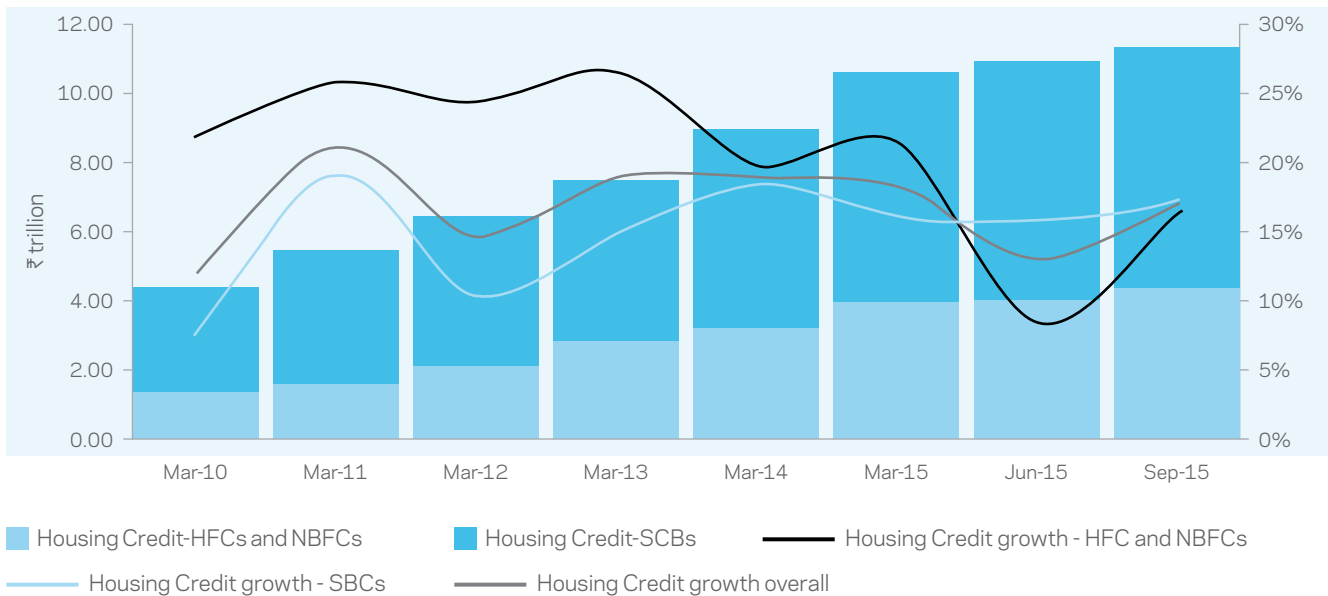
Key drivers of growth of the real estate sector

- **Rapid Urbanisation:** Government policies together with growing demand for housing for all has set the tone to boom the future growth of the industry, as more people are interested to shift in urban areas.
- **Easy availability of financial assistance:** With more NBFCs replacing the need for banks and various corporate tie-ups between the builders and the HFCs, it can be estimated that the growth of real estate would be driven in the near future.
- **Rise in number nuclear family units:** Joint families are not on verge of extinction, but the rate of their existence has come downwards over the last 10 years. With growing number of nuclear units, more houses would be needed to meet the demand.

NBFC Industry

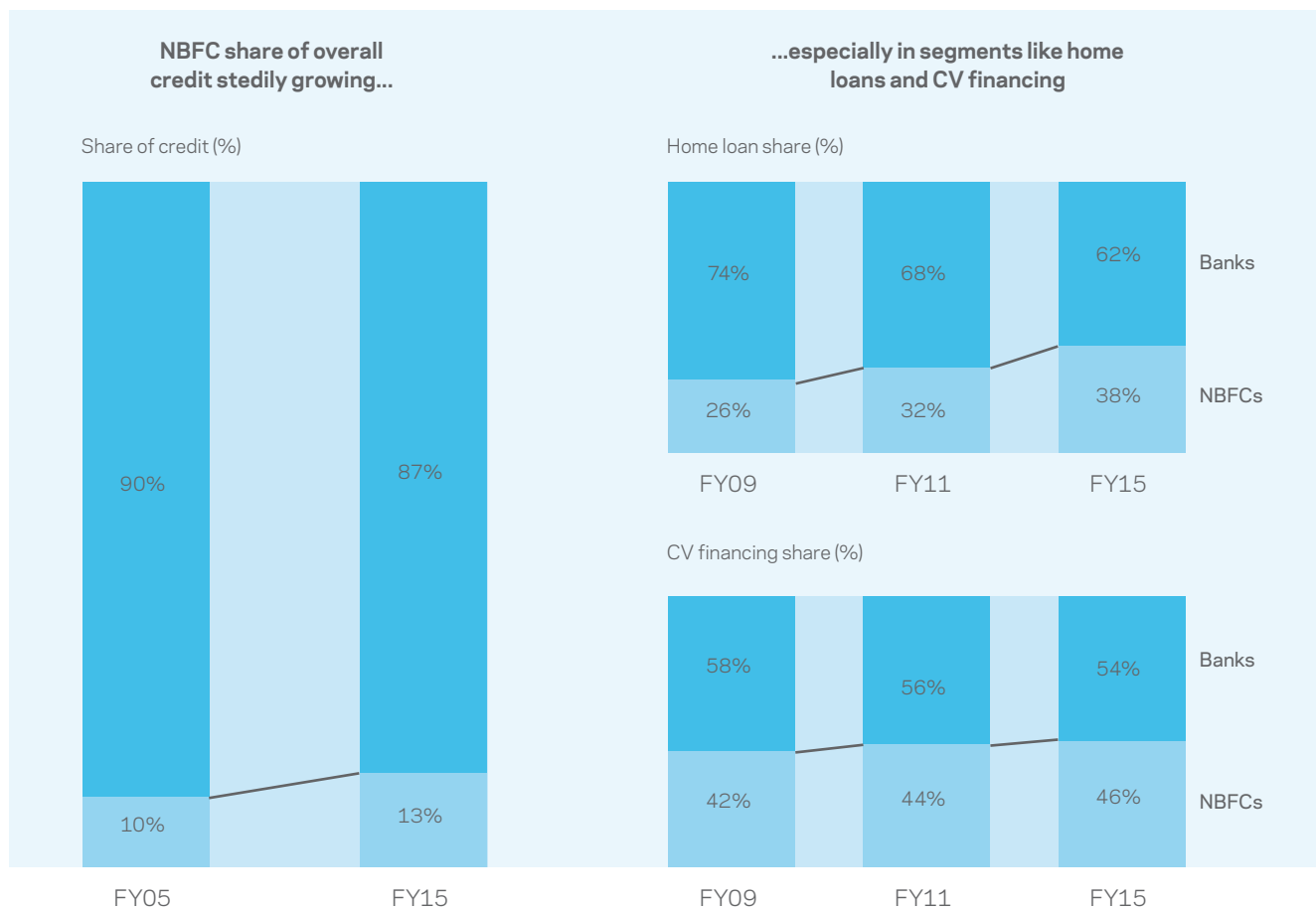
While the market share of NBFCs in the housing finance industry for the FY 08-09 was 26%, it has increased to 38% as on December 2015. On the other hand, share of banks has, therefore faced a downfall from 74% in FY 08-09 to 62% in FY 14-15.

According to the reports of ICRA, the outstanding total housing credit has already crossed ₹11.4 trillion as on September 2015, as compared to ₹10.5 trillion on March 2015. Hence, the sector witnessed an annualized growth rate of 17% during the first half of FY 15-16, which is up from 14% in the Q1 FY 15-16. However, the growth is likely to rise further in the recent years to come.



(Source: ICRA)

During the period between 2005 and 2015, the share of credit for the Non-Banking Finance Companies (NBFC) has increased from 10% to 13%. However, the NBFC's share of the Indian GDP, i.e. 1.3%, is much lower as compared to that of economies such as Malaysia and China at 26% and 33%, respectively. Such a situation in India is undoubtedly an opportunity for the Indian NBFCs to contribute more to the nation's GDP in the near future.

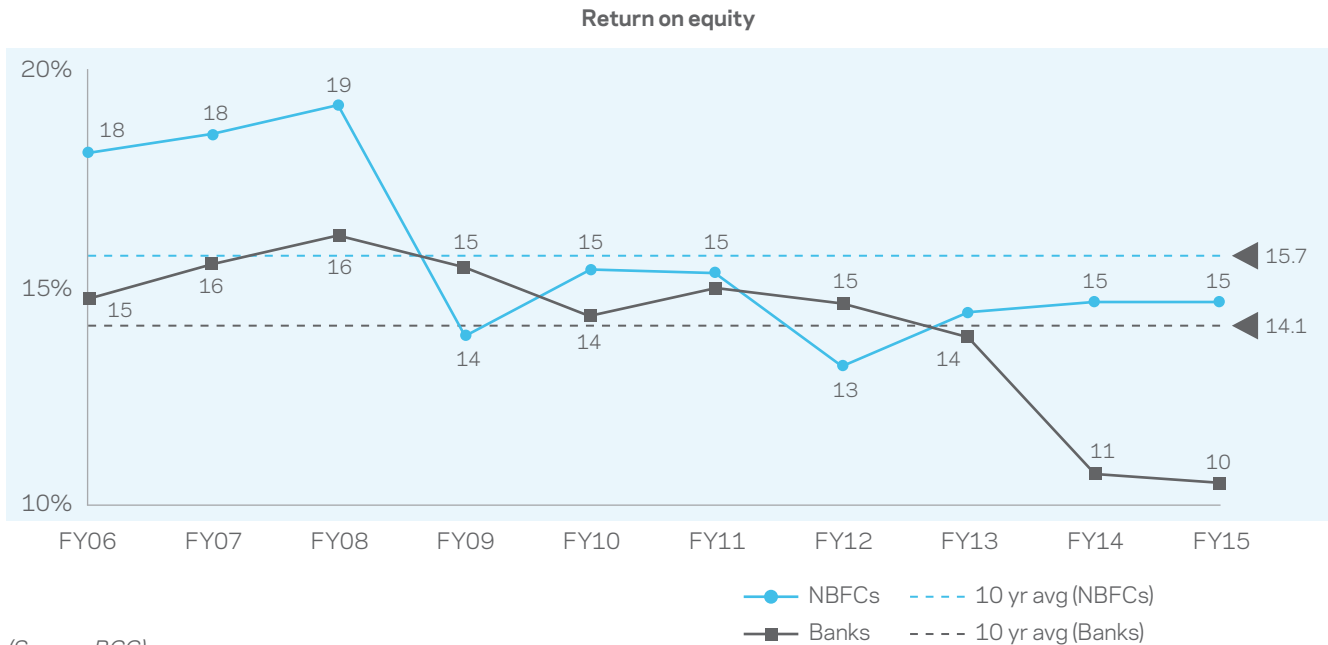


Non Performing Assets

Gross Non-Performing Assets (GNPA) for the overall sector stood at 0.78% for the H1 FY 14-15 which is marginally higher than previous year's GNPA of 0.74%. More and more financial players are specializing in providing riskier services/products such as loans against property, builder loans, etc. Such deals often come with a danger tag and to some extent bad debts has resulted in the rise of NPAs in the banking and financial sector. With more self-employed people under volatile income levels taking loans, sometimes repayment of the same has been delayed. According to estimated projections, GNPA for HFCs is projected to be around 0.8%-1.2% in FY 16-17. (Source: ICRA)

Profitability of NBFCs

In the last decade, the NBFCs have shown a better performance than banks in terms of profitability. While the NBFCs have been able to show steady growth and its return on equities stood on 15% in FY 14-15, the same for the banks has been slightly above 10%. In a study of 10 years report, the NBFCs have outperformed the banks by a margin of 1.6% on average. (Source: BCG)



(Source: BCG)

Growth drivers of the housing financing sector

Growing economy: The Indian economy has shown resilience in the face of global downturns, emerging as one of the fastest growing economies in the world. This shall augment rise in per capita income and lead to growing disposable income.

Growth in the need for credit: In the recent years, more people are willing to afford a home of their own. In such a scenario, HFCs are expected to play a greater role in meeting credit demands and ensuring people meet their aspirations.

Reduced risk: Investment in real estate is often viewed as a safe passage for those who want to see increase in valuations of assets within a period of time. Generally, a property does not lose its value depending upon the market fluctuations. Rather, it appreciates with time. Hence, it can be expected that in the coming years when the government is all set to boost the real estate industry, more people would come forward to buy properties.

Rising urban population: By 2050, the urban population is set to reach more than 814 million, an increase about 400 million from the current level.

Government policies: The new government has set goals of providing housing infrastructure to a large cross section of society. If everything goes according to plan, initiatives such as 'Housing for All by 2022', 'AMRUT', etc. are expected to boost real estate, which in turn would benefit the housing finance industry in the years to come.

Weakness

Housing paradox: One of the major weaknesses of the housing sector is that during last few years, it has been seen that a number of houses being built without getting booked. This is often leading to a paradoxical situation where people do not have shelters, and on the other hand numerous houses do not have people to live in. As a result, somewhat the opportunity of the NBFCs is weakening.

Delays in Project approval: During the last decade, there have been instances when several home buyers faced the issue of project delays. Project delays can happen mainly either because of delay in the building process, or due to quality check. On the other hand, there have been situations when several state governments have delayed the licensing process for building a property, even after the builders have collected money from their clients. Nearly 45% of the projects in Mumbai offered to buyers in 2014 are incomplete and in Delhi-NCR, a whopping 78% of projects are yet to be completed. This particular situation has resulted to the fall in demand amongst the buyers, given the fear related to the payment of both EMIs and house rents. Such a scenario has to be controlled in the near future in order to boost the credibility of the industry. However, the 'Real Estate Regulatory Bill' is expected to address the needs of the buyers with adequate measures. (The Economic Times)

Opportunities

Digital presence: With digital platform been spread across the territories of India, more people are getting into the virtual universe. Today, a simple mobile applicatio is all that a consumer needs to meet his/her demands. With increased technology usage and better digital penetration, HFCs can grow like never before. The 'Digital India' initiative is estimated to increase the rate of internet usage in India by supplying affordable technological devices to rural areas. Hence, an opportunity is being built slowly for the Housing Finance Companies to penetrate into a greater audience.

Increasing demand for lands in suburbs: With the metropolitan areas getting over populated, more people are willing to reside in suburbs where peace prevails. In order to keep meeting the consumer demands, more builders are developing projects in suburban areas. Such a situation can result to be a growth indicator for the HFCs, as more people are exposed to the need of adequate home loans.

Growing population: It is estimated that the total population of India would beat that of China by 2030. In the upcoming years, thus growing population would need to be addressed with adequate housing facilities. Therefore, need for financial assistance would be felt like never before.

Development of smart cities: The government has published a list of 100 smart cities that are to be developed in the coming years. They have also allotted billions of dollars for the development of such projects. When cities would be built, demand for accommodation is about to rise. Thus, a scope for housing finance sector can be noticed.

Threats

Unavailability of land: With the population rising at a faster rate, most of the urban areas in India, (especially the metropolitan areas) are witnessing shortage of land for better housing solutions. Thus, in many areas it has been a challenge for the HFCs to gather clients in over populated areas, thus facing an impact on their margins.

Increasing price of land and property: With the unavailability of urban land, the price of the same is rising. Price hike is not only increasing the cost of building property, but also restricting a number of buyers from purchasing land. Moreover, property seekers are willing to invest in real estate in developing areas, given the chance of increased valuation of their land with the course of development. If such a situation is not controlled in the recent years to come, rising land prices can prove to be an important threat for the industry.

Business Review

Lending Operations

Industry overview

Demand for housing loans continued to sustain in FY 15-16 primarily due to three reasons:

- Controlled inflation rates
- Declined interest rates by the Reserve Bank of India
- Increasing affordability to buy homes

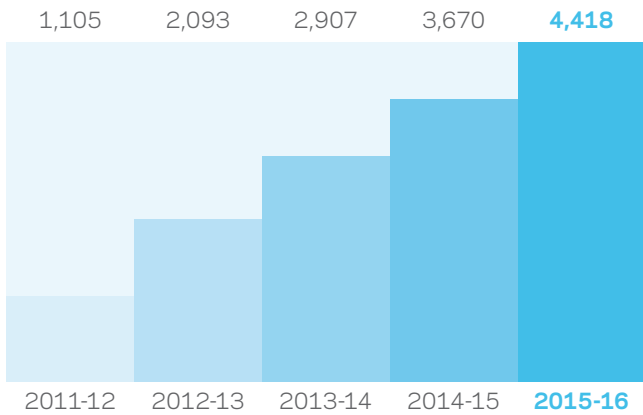
While inflationary measures have been kept under control, the liberal monetary policy and positive reforms have helped in reduction of borrowing /funding cost for the Housing Finance Companies (HFCs).

During the current financial year, the RBI reduced its lending rates at different phases, with an ambitious target of achieving 5% inflation by 2017. It also endeavoured to keep the real interest rate benchmarked to 1-year Treasury Bill rate of 1.5-2%. This resulted in a decline in base rates by several banks and HFCs as well. Can Fin Homes Limited (CFHL) reduced the lending rates upto 1.25% as on October 7, 2015 in order to gain a competitive edge in the Indian housing finance sector. Based on the difference in needs of customers, your Company has structured the pricing of loans depending on the type of employment, i.e. salaried / professional, self employed, etc.

During FY 15-16, the Company sanctioned housing loans and other loans worth ₹4,418 Crore compared to previous year's ₹3,670 Crore, registering a growth rate of 20%. The cumulative amount of loans sanctioned till March 31, 2016 since inception stood at ₹20,911 Crore. On the other hand, the amount of disbursed loans for the FY 15-16 has been ₹3,922 Crore (compared to ₹3,346 Crore in FY 14-15). Since inception till March 31, 2016, the total disbursements stood at ₹18,291 Crore. The Company has been able to achieve this through a steady increase in branch network across our area of operations. The Company closed the financial year with a total of 140 branches/satellite offices, steadily rising from 117 branches/satellite offices as stood in the previous year.

Loans sanctioned – A 5-year analysis

(₹ in Crore)

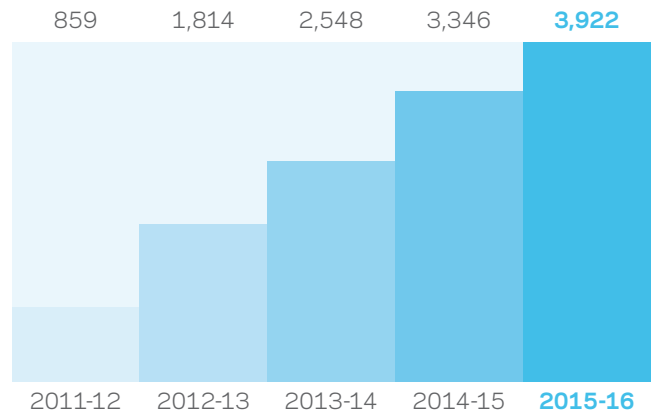


41.41%

4-year CAGR

Disbursement profile – A 5-year analysis

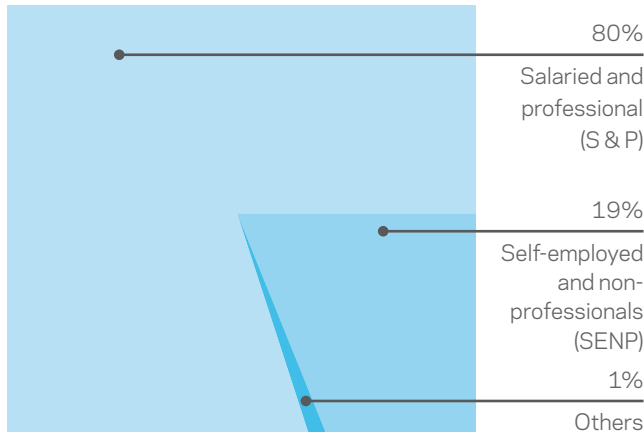
(₹ in Crore)



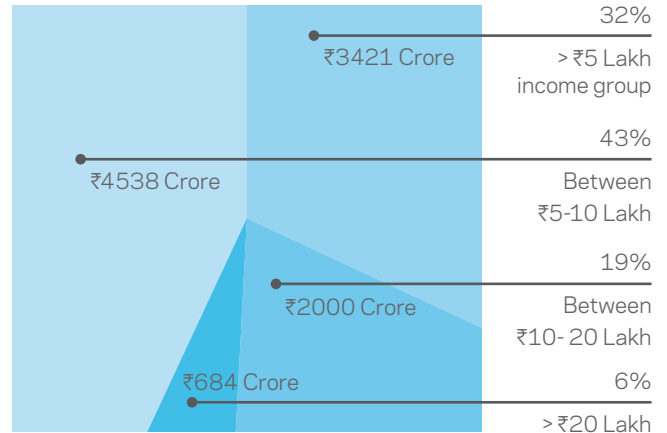
46.18%

4-year CAGR

Customer profile - 2015-16



Customer Income profile - 2015-16



When it comes to sanctioning and disbursing loans to individuals of different income levels, CFHL is committed to serve the middle income class to a greater extent. The Company has sanctioned 32% of loans to customers earning up to ₹5 Lakh per annum. On the other hand, customers earning ₹5-10 Lakh per annum constitutes 43% of the total outstanding amount.

Loan Portfolio

The Company has a diverse portfolio/products in terms of its loan offerings. With a total of 17 loan products, it ensures customisation for its customers as per their needs. The loan portfolio includes:

I. Housing Loans

1. Housing Loans to Individuals (IHL)
2. Loans under Urban Housing (LUH)
3. Gruhalakshmi Rural Housing Scheme (GRHS)
4. Composite Loans
5. Staff Housing Loan (SHL)
6. Site Loans
7. Line of Credit (LOC)
8. Special Urban Housing Refinance Scheme - Direct
9. Special Urban Housing Refinance Scheme - Indirect
10. Commercial Housing Loans (CHL)
11. Builder Loans

II. Non-Housing Loans

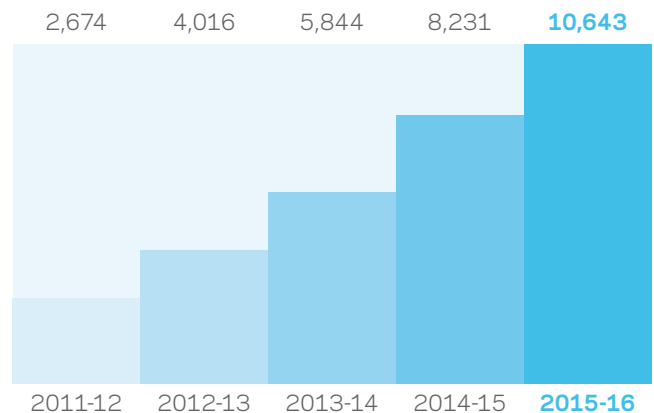
12. Mortgage Loans (ML)
13. Personal Loans (PL)
14. Loans for Commercial Property (LCP)
15. Loans Against Rent Receivables (LRR)
16. Loans to Children's Education (LCE)
17. Flexible Loan against Property (Flexi-LAP)

While the entire HFC sector is estimated to have grown around 17% during FY 15-16, the growth rate of CFHL has been 29%,

as the loan book increased to ₹10,643 Crore from ₹8,231 Crore in FY 14-15. The growth of housing loan segment (Book size) has witnessed a growth of 29% in FY 15-16, while the non-housing segment registered 39% Y-o-Y growth. In terms of share, 88% of the total loan register comprises of housing loans, while 12% is covered by the non-housing segment. As far as operational geographies are concerned, the southern part of India covering Tamil Nadu, Kerala, Karnataka, Telangana and Andhra Pradesh contributed 76% of the total sanctions.

Loan Book growth - A 5-year analysis

(₹ in Crore)



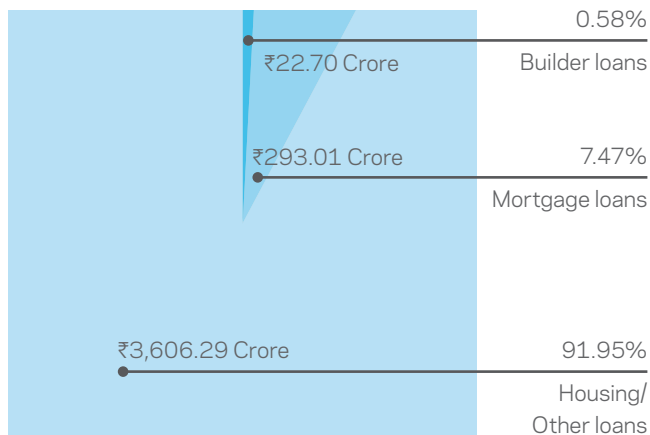
41.25%

4-year CAGR



The Company's concentration has been mainly on retail lending, as the small to medium ticket loan book amounted to ₹10,568.57 Crore. On the other hand, big ticket loans (outstanding > ₹1 Crore) amounted to ₹74.43 Crore. The average loan ticket size provided by the Company in FY 15-16 is ₹17.36 Lakh for HL and ₹13.00 Lakh for NHL. While builder loans constitute 0.28%, mortgage loans comprises 5.92% of the total outstanding in the FY 15-16.

Disbursement profile - 2015-16



The power of sanctioning loans at CFHL, upto a certain limit based on the cadre of the Branch-In-Charge, has been delegated to the heads of respective branches established across the country. However, the eligibility criteria to the disbursement of loans is clearly mentioned and highlighted in the Company's credit policy. The proposals falling outside the purview of branch sanction limits are referred to the different delegated authorities at the registered office of the Company. During FY 15-16, 92% of loans i.e. ₹4,070 Crore has been sanctioned at different branches of CFHL, while the remaining 8% is decided at the registered office which accounts to ₹348 Crore.

Marketing and distribution

CFHL has been successful in expanding its presence in different parts of the country. The satellite offices launched by the Company have been attracting more business opportunities, as it has reached several potential areas that were not possible to access a few years back. In addition to that, operational cost of maintaining an office is also reduced to a large extent with the advent of the Company's satellite offices. During FY 15-16, CFHL has opened 3 new branches and 20 satellite offices, which increased the total number of branches and satellite offices to 110

and 30 respectively. Further, as per our branch expansion plan of the Company for FY 16-17 (175 locations), we have, on April 21 2016, opened 7 branches and 20 Satellite Offices increasing our tally to 167. The Company has opened three branches during May 2016 and the branch/satellite offices number stands now at 170.

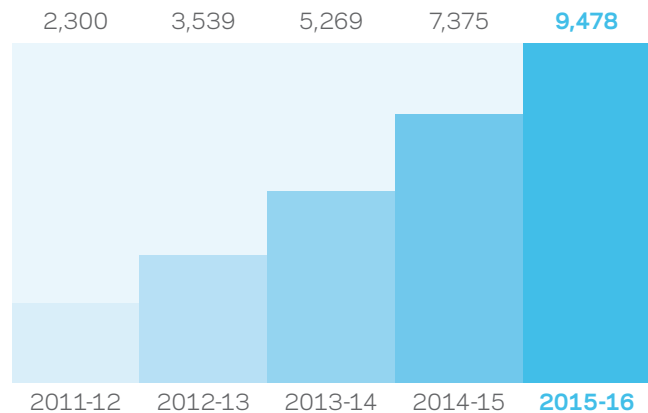
In order to strengthen the marketing and sales operations of the Company at grass root levels and to penetrate deeper into the market, the services of Direct Selling Agents (DSA) are being taken by the Company. However, the DSAs provide leads to the Company, while the technical tasks such as credit and legal aspects are monitored by the higher officials. The number of active DSAs working for CFHL amounts to 638. About 53% of the total business sanctions are been sourced by them in FY 15-16 as compared to 57% during previous FY 14-15.

Funding Sources

In order to meet the demand of the customers, CFHL borrows from different banks, NHB, public deposits, NCDs, commercial papers, etc., in addition to its ploughed back earnings/profit. As per the financial books as on March 31, 2016, the borrowings of the Company amounted to ₹9,478 Crore, as compared to ₹7,375 Crore.

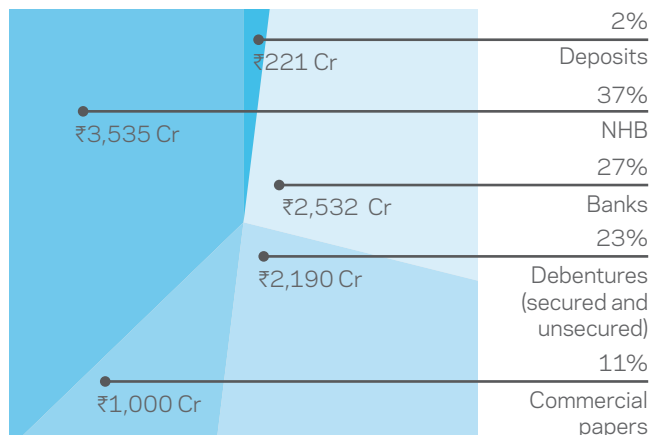
Borrowings at a glance - A 5-year analysis

(₹ in Crore)



▼
42.48%
4-year CAGR

Funding mix - 2015-16



(a) Refinance from NHB: During FY 15-16, the Company has borrowed fresh finance of ₹630.64 Crore, which took the total outstanding finance to ₹3535 Crore as on March 31, 2016 as compared to the previous year's outstanding total of ₹3220 Crore. CFHL has also availed loans from Rural Housing Fund amounting to ₹400 Crore during FY 15-16 at ROI 6.87% & 6.12%. The total amount outstanding at the end of FY 15-16 is ₹3535 Crore.

(b) Bank borrowings: CFHL use to borrow money from banks at base rate. However, the cost related to such borrowings exceed as compared to interest rates of NCD/CP. Thus, we have shifted our focus slightly away from banks. This has reflected in the percentage of the Company's borrowing through banks, which is 27% as compared to previous year's 31%. The lenders, amongst others include SBI, Bank of Baroda, Oriental Bank of Commerce, Federal Bank, HDFC Bank and HUDCO. However, the principal banker of the Company continues to be Canara Bank, which the

sponsor of CFHL. At the end of FY 15-16, the aggregate of term loans for the Company amounts to ₹2,020.31 Crore. (Canara Bank, HUDCO, SBI, Bank of Baroda, HDFC Bank).

(c) Commercial papers: CFHL has been mobilising funds through commercial papers (CP) on a regular basis since the previous financial year. The ICRA has rated CP as A1+, since these papers can be considered to be extremely safe when it comes to payment of financial obligations. Hence, the Company is looking forward to increase its share of borrowing money through CPs in the coming years. During FY 15-16, CFHL raised funds amounting to ₹3,720 Crore and repaid about ₹3,695 Crore, leading to a year end outstanding amount of ₹1,000 Crore.

(d) Secured NCD: In FY 15-16, the Company has issued ₹1540 Crore through Secured Non-Convertible Debentures (NCD) at competitive rates. Several rating agencies such as such as M/s India Ratings & Research Pvt Ltd (FITCH), M/s CARE Ltd and M/s ICRA Ltd have rated our NCDs as "AAA". The amount outstanding as on March 31, 2016 is ₹2090 Crore.

(e) Deposits: As on March 31, 2016 the outstanding deposit amounts to ₹221 Crore, inclusive of accrued interest as compared to previous year's ₹222. The Company's deposit scheme has earned the ratings of "MAAA" from ICRA Ltd.

Credit Ratings as on March 31, 2016

- "MAAA" by ICRA for its Deposit Schemes
- "AAA" by CARE, India Ratings & Research Pvt Limited (FITCH) and ICRA for its Debenture issue
- "A1+" by ICRA for its CP issue
- "AAA" by ICRA for its long term bank loans and A1+ for short term bank loans



Risk Management

With more HFCs being introduced to the market, several challenges can be witnessed lurking on the path of your Company. In fact, risks tend to change from year to year. In order to keep on track with such challenges, the Board makes yearly amendments and modify the policy keeping in view the risk perceptions. Some of the threat indicators for CFHL are:

- An increase in operating costs
- Competition from banks
- Volatile conditions of the real estate segment

INTEREST RATE RISK

Risk definition: The Company's profitability can be affected because of the mismatch in interest rates between its assets and liabilities.

Risk mitigation: With fluctuations in interest rates, there can be a threat of credit risks. However, the management is continuously monitoring different risks to take steps for mitigation in future. Generally, HFCs borrow money from banks at floating rates that are directly related to the base rate of the banks. Since the loan period is long term, interest rates might vary according to the changes made by the RBI. However, since Banks have now moved to MCLR regime, such variations can be effectively controlled.

CFHL provides loans at both fixed and floating rates depending on the product of the customer. However, such financial risks and their effectiveness are regularly reviewed by the Company's Risk Management Committee and in many cases they make required modifications to their measures. In addition to that, the Board of Directors and Audit Committee monitor the risk management systems and discuss during Board meetings about adequate steps needed for effective risk management.

CREDIT RISK

Risk definition: One of the biggest risks in the path of sustainability and profitability of the Company is credit risk. Being in the business of financing, a sound credit risk policy and efficient pricing are challenges to avoid lower returns and consequent losses.

Risk mitigation: In terms of the Risk Management Policy of the Company, it conducts regular monitoring and assessment of the customer's risk ratings by evaluating (measured by RBIA) his/her profile and ensure that the financial experts can limit the challenges and perform adequate measures during times of need. There are several checks while it evaluates the credit worthiness of its customers when they borrow.

At preliminary stages, several credit norms, policies, guidelines and procedures are followed to see if the customer qualifies to get loans. Its well experienced and qualified financial experts make sure the evaluation of credit worthiness of each client is carried out as per prescribed norms. In addition to the in-house resources, it also avails services from different credit assessment agencies for evaluating the risk potential of a customer. The customers' financial discipline is analysed with the help of reports made available by the Credit Information Bureau India Limited (CIBIL).The Central Registry of Securitization Asset Reconstruction and Security Interest of India (CERSAI) keep the threats of multiple finance involvement away. The Company has also put in place Individual Account Monitoring System (IAMS), Offsite Transaction Monitoring System (OTMS) for continuous review of loan assets. By leveraging IT, MIS is generated at frequent intervals for identifying and monitoring the Special Mention Accounts (SMA). The Company has analysed the trend in SMAs with regard to seasoning of assets – period-wise and product-wise in order to initiate corrective steps for maintaining and further improving the asset quality. These collaborations have proved to be beneficial for the Company in the long run, as the GNPA for FY 15-16 stands at 0.19% (among the lowest in the industry) as compared to 0.17% in FY 14-15.

LIQUIDITY RISK

Risk definition: The inability to match the maturity of assets and liabilities on time might expose the Company to liquidity risk.

Risk mitigation: Being in the business of housing finance, it is largely exposed to liquidity risk, as the tenure of lending extends to 10 years or more. This is contrary to the duration of liabilities created. However, the Company mobilises its funds optimally and within the tolerance level of Asset Liability Management (ALM). The Company is also having a comfortable CAR of 20.69%. In addition, we also

regulated the borrowings from different banks, reducing concentration risk. Further, we have also diversified our borrowing profile with Commercial Papers and Non Convertible Debentures (NCDs). This has not only helped us get funds at lower interest rates, but has also helped us manage the liquidity of funds with ease.

MARKET RISK

Risk definition: The risk pertains to not Company alone, but industry as a whole. Thus, reduced industrial activity and slowdown could impact the demand of consumers and in-turn the business of the Company

Risk mitigation: The government at the centre has renewed market sentiments to a large extent. Positive reforms across various sectors have helped the country register a growth in GDP and register higher economic growth. In addition, we also have a team who regularly assess market conditions, ensuring corrective and decisive steps are taken.

OPERATIONAL RISK

Risk definition: Multiple operational risks associated during the normal course of operation pose a significant threat to overall financial position of the Company

Risk mitigation: We at CFHL, constantly review OTMS reports and the Systems & Procedures (S&P) Committee works on improving our efficiencies. This also helps us prevent frauds and other malpractices. There is a dedicated team in place who constantly monitor the operational performances. Every branch is frequently monitored with visits by our executives to ensure optimum levels of efficiencies are maintained. As a preventive vigilance mechanism, we have developed an Offsite Transaction Monitoring System (OTMS) to detect early warning signals on near-to real-time basis. This has helped us in tackling the issues immediately. As a reactive mechanism, we have also introduced whistle blowing mechanism. In totality, the broad instructions are defined and documented in form of a manual, which is followed by all branches/employees/TPEs and other outsourcing agencies during all day-to-day operations. Overall, 1) the quarterly Risk Profile is placed before the Audit Committee and Board. 2) In the Risk Management Committee (RMC) meetings, policies and products are discussed. 3) Risk Based Internal Audit (RBIA) is conducted on an ongoing basis for all branches. We will also endeavour to collect loss data reports and further strengthen our operational risk framework.

Asset Liability Management

At CFHL, risks related to liability and interest rates are managed quite efficiently by the responsible officials. In order to meet different maturity profiles of customers and to keep the inflows going, we arrange adequate credit from time to time. So far, no constraints have been faced by the Company when it comes to financial obligations. Several banks and other financial institutions offer credit to CFHL and that makes sure that the Company's business operations are not interrupted.

The liquidity position of the Company's assets and liabilities is regularly monitored and reviewed by the ALM committee. The committee also takes effective measures to fight the situation. Quarter-yearly meetings are arranged where the Risk Management Committee, Board of Directors and the Audit Committee reviews the financial risks that the Company might face. In all the four quarters of FY 15-16, the management of the Company has graded its risk profile as low.

Internal Audit and Control

External audits are conducted by the National Housing Bank (NHB) annually, while Canara Bank, i.e. the sponsor of CHFL conducts Management audit once in two years. During the current financial year, NHB had conducted such inspectional audit in September 2015. As per the reports, no major deficiencies are noticed in the Company's operational functions.

Internal audits (Risk Based Internal Audit-RBIA)-During FY 15-16, Managers of CFHL have audited the branches as well as the registered office of the Company. Such audits are done mainly on quarter or half-yearly basis. However, in FY 15-16 the branches of CFHL across the country have been rated [low/high/moderate risk]. Further reports of quarterly (25 branches) / half yearly (77 branches) internal audit have been reviewed by external audit firms (as on March 31, 2016). "Application audit of IT systems" efficiency of existing internal control audit were conducted on a standalone basis.



The internal control and systems in the Company are adjacent to the nature of the business, its business model as well as the operational size of the organization. In order to lessen financial risks, the Company is equipped with an efficient internal control team. This team has to follow certain guidelines and policies that have been initiated by the authority. The management of the Company makes sure that the different branches of the Company are operating effectively in a regular manner.

In order to keep things crystal clear, several procedures are followed by the operating officers in the Company. In case a loan is sanctioned at the branch level, the Overseeing Manager or executive reviews it. On the other hand, if loan sanctions are done at the registered offices then a different authority is responsible for reviewing it. Similarly, loans sanctioned by the DGM are reviewed by the Managing Director through a committee of executives; and in case it is sanctioned by the Managing Director, review is done by the Board itself.

In order to guide the management at different branches, the Overseeing Managers often visit those offices at certain intervals. Not only are such visits undertaken at specific intervals but also during the hour of need.

In order to have a better look into the internal affairs of the Company and control it, CFHL has already set up OTMS (Offsite Transaction Monitoring System) in 2013. This was mainly done to monitor sensitive transactions online, that too at almost real time basis, gradually leading the Company officials to trace danger signals as early as possible. Since many branches are opened during a year, it is the responsibility of the Company to be sure about their operations. In order to keep a check on their operating capacity and system, the internal control unit at the CFHL conducts an audit in the newly opened branch within six months since its inauguration.

The Audit Committee of the board in CFHL reviews several audit reports by RBIA, NHB, Canara Bank, LFAR, Quaterly/half yearly Internal Audit Reports at different branches of the Company as well as pending mortgages and perfection of securities. The reports of standalone "Application audit of IT systems" by the IT auditors and special audit for evaluating "efficiency of existing internal control systems" were reviewed by Audit Committee. In addition to that, the operation and performance of the audit department is also reviewed by the committee at quarterly intervals. In case any operational risk is noticed, the committee issues proper directions to mitigate the risk. The board has been reviewing the risk profile of the Company, KYC/AML compliances, ALM at quarterly intervals and compliance of fair practice code, customer complaint at half-yearly intervals as per the regulatory guidelines.

The legal compliance report about the compliance status of

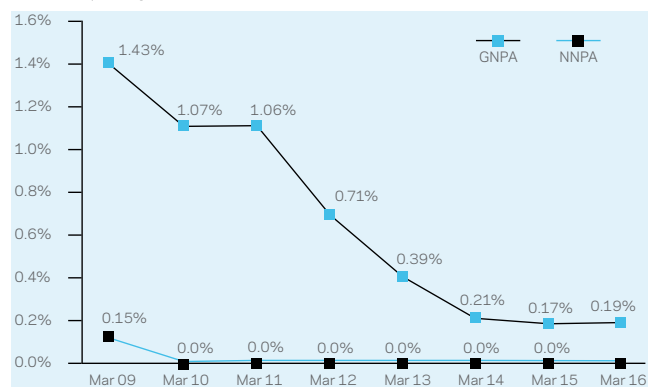
various regulations is placed before the Board/ Audit Committee on quarterly basis. The Audit Committee of the Board of Directors reviews major inspection and internal Audit observations along with the reply, including the actions to be taken/ taken on such observations, on a quarterly basis. The Company has a review system for all policies annually before the commencement of a financial year, so that the new policies are implemented from the beginning of year. All policies are critically analysed by the Risk Management Committee of the Board and reviewed/approved by the Board. In tune with this, the Company has reviewed all the policies of the Company viz. credit policy, recovery policy, accounting policy, corporate governance policy, investment policy, information technology policy, premises policy, KYC Policy, audit policy and outsourcing policy and such other policies were revisited and reviewed during the FY 15-16. The internal control systems in the Company are adequate and commensurate with the nature of its business and size of its operations.

Quality of Assets

Before granting loans to customers, the Company evaluates the risk chances of the customer by assessing all the required eligibility as regulated in the policy. In case an applicant is seen to be beyond the level of manageable risk matrix, the Company does not consider the person for any loans. In order to minimise risk, the Company also analyses portfolios in several intervals and avoids sanctioning loans to people falling in the high risk index.

The Gross NPA stood at ₹19.76 Crore (0.19%) as on March 31, 2016 compared to previous year's amount of ₹14.35 Crore (0.17%). The average GNPA for the housing finance industry for the current financial year has been 0.70%.

Asset Quality Y-o-Y



Perfection of security has also been given extreme importance in order to ensure better quality of assets. One-time settlements and intensive recovery drives are used to bring down core NPA's (NPAs for more than 5 years). CFHL has been able to maintain the lowest GNPA level in the industry mainly because of the Company's intense effort and focus on asset quality.

Financial analysis

Revenue	EBIDTA	Profit after tax	Operating cash flow	Net worth	Net Interest Income (NII)
35.81%	36.66%	30.18%	57.83%	23.47%	33.12%
CAGR (over 5-years upto FY 15-16)	CAGR (over 5-years upto FY 15-16)	CAGR (over 5-years upto FY 15-16)	CAGR (over 5-years upto FY 15-16)	CAGR (over 5-years upto FY 15-16)	CAGR (over 5-years upto FY 15-16)

The snapshot

(₹ in Crore)

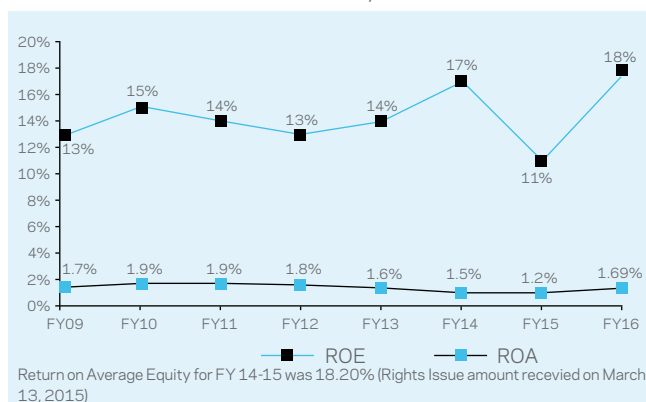
	2014-15	2015-16	Significance
Gross revenue	817.03	10,83.54	Increase in business/NHL segment
EBIDTA	765.72	1,020.21	Increase in NII & reduction of operational cost and rights issue amounting to ₹ 273 Crore
PBT	137.45	253.86	Increased profitability
PAT	86.24	157.11	Sustained growth in shareholder value

Statement of Profit and Loss

Key performance parameters for the statement of profit and loss Accounts for the year ended March 31, 2016 are:

- Profit before Tax grew by 85% and Profit after Tax grew by 82%.
- Net interest income grew by 69% from ₹178 Crore to ₹301 Crore during the year.
- Net interest margin for the year was 3.24% (previous year: 2.54%)
- Pre-tax return on average assets was 2.73% and post-tax return on average assets was 1.69%.
- Return on Equity is 17.89% in the current year (previous year: 11.18%)
- CFHL's cost to income ratio was 18.67% for the year ended March 31, 2016 as against 25.61% in the previous year.
- For the year ended March 31, 2016, a dividend of ₹10/- per share is being recommended against ₹7 per share in the previous year.
- The dividend payout ratio will be 16.95% as against 21.61% in the previous year.

Return matrices - ROA and ROE - Year to year



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 in 90 days. HFCs have to make provisions depending on the age of the overdue at prescribed rates 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 0.40% on standard individual housing loan, 1% to other individual non-housing loans and loans to developers and 0.75% to commercial real estate - residential properties. CFHL has complied with all the regulatory norms as prescribed by the NHB.

According to the prudential norms, CFHL needs to carry adequate provisions for standard assets, NPA at prescribed rates. CFHL has carried adequate provision on standard assets and exercising abundant caution with 100% provisions for the entire NPA amount of ₹19.76 Crore as against the regulatory requirement of ₹9.36 Crore. As a result, CFHL's net NPAs on outstanding loans of ₹10,643 Crore is 'NIL' as on March 31, 2016.

Capital

CFHL's total borrowing amount as on March 31, 2016 of ₹9,478 Crore has been within the permitted limit of 16 times of the Company's net owned funds. The Company has done well to fall into the eyes of the investors, as it has conducted and taken part in many investor meets in both national and international geographies. CFHL has also used the electronic/TV media in the right manner to reach out to target audience.

The Company's CAR (Capital Adequacy Ratio) as on March 31, 2016 is 20.69%, while the NHB's stipulation is 12%.

Deferred Tax Liability (DTL)

During FY 14-15, the NHB has directed all the housing finance companies (HFCs) to provide for DTL in respect of balance in the special reserve created under section 36(i) (viii) of IT Act 1961 and permitted to adjust the same from the retained earnings. However, NHB has permitted all the HFCs to adjust the DTL in a phased manner over a period of 3 years in the ratio of 25:25:50. Such permission was enacted in the previous FY 14-15. According to the rules, during FY 15-16, Company has transferred an amount of ₹18.50 Crore from the general reserve towards DTL.

Depreciation on Fixed Assets

During FY 14-15, there is significant change in the guidelines with regard to provisioning for fixed assets. The rate of depreciation is increased and is linked to the remaining life of the fixed asset. The Company has, as per the revised provisions, reworked the useful life on various fixed assets as prescribed in the Companies Act, 2013 and complied the norms for FY 15-16

Human Resources

During the year, the Company recruited 90 probationary officers and 98 junior officers on contract, giving preference to qualified local candidates for the new branches. The overall staff position as at the end of the current financial year was 553 (Regular - 395, On contract - 158) as against the previous financial year's figure of 491. All the new recruits have been given induction training. Additionally, the junior officers are mentored by the Branch Managers and the senior staffs at the branches and the new managers are guided by their Overseeing Executives. The attrition level is 2% during FY 15-16. The branch heads/over seeing executives handholds the new entrant to enable his/her smooth transition into the organisation and help him/her adapt to the value system and its working.

Due to opening of substantial number of the branches (3)/satellite Offices (20), there is a decrease in the cost to income ratio (from 25.61% in FY 14-15 to 18.67% in 2015. Business per employee has increased from ₹15.90 as on March 31, 2015 to ₹18.52 as on March 31, 2016. Most of the newly opened branches are reaching the breakeven point within 9 to 12 months and satellite offices within 3 to 6 months. The employer-employee relation continues to be cordial and there have been no instances of any disruption.

IT and IT Security

To improve the operational efficiency and bring homogeneity in the operations, the Company has migrated to Core Banking System through Integrated Business Suite (IBS) in 2013. The software provided by the vendor is constantly reviewed and bugs are fixed. Necessary upgradations/enhancements are made from time to time. Biometric attendance marking system was introduced in 110 branches/satellite offices to monitor the punctuality of staff. As an IT Security measure, certain restrictions were introduced to restrict usage of login IDs. De-duplication has been done in all the branches to ensure uniform customer ID to all customers across the Country. Considering the increased number of branches, the Company has also enhanced the bandwidth to speed up the operations in the branch. All branches of the Company and the RO are connected through Internet and our Core Banking Platform. The Company has taken required initiatives in maintaining data integrity and adequate control over the data. IT security is ensured through periodical audit of its operating systems and data at Data Centre (DC) and Data Recovery Centre (DRC) through the Audit Dept. and the external agency.

To increase the visibility of the Company and improve the operational efficiency, the Company has introduced a Customer Portal, Mobile website and Online money transfers on the Company's website. The Company has introduced a missed

call facility to enable customers to know the loan outstanding in their accounts by giving a missed call. SMS alerts are given to customers to remind them and ensure prompt repayment of loan installments, extend wishes for birthdays, inform details of loan schemes, etc. 69.74% of collection of installments is done through Electronic Clearing System (ECS). We introduced facilities for online payment/ credit by customers to the loan accounts this year.

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 stake holders. 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.

Outlook for 2016-17

The Company has drawn a challenging business plan for the financial year starting from April 1, 2016, as the total number of branches is aimed to reach 175. The book size of the Company is expected to reach ₹13,500 Crore. CFHL shall continue to improve its asset quality, lend to individual segments, increasing the non-housing loan segment, to improve profitability and to extend its business operations.

We planned to open 35 branches and satellite offices (from 140-175) during FY 16-17, out of which we have already opened in 30 locations (10 branches and 20 satellite offices) in April and May 2016.

At macro level, the prospects for the future are bright & encouraging as the industrial sector, which has not grown on expected lines in the previous fiscal, is expected to improve. The RBI and government are continuing the policy of managing inflation, promoting investment through generation of employment and income and improved infrastructural facilities including housing have contributed to the optimism. The real estate industry is expected to improve in the current year across the country and credit off take is likely to improve. However, pressure for the reduction of rate of interest and consequently, its impact on the spread is expected to persist.

Corporate Social Responsibility (CSR)

Under the Companies Act 2013, Ministry of Finance has published New CSR Rules, which makes Companies operating

in India having a net worth of ₹500 Crore or more or turnover of ₹1,000 Crore or more or a net profit of ₹5 Crore or more during the financial year, to mandatorily implement the CSR Rules w.e.f. April 1, 2014. The new Rules are intended to promote socio-economic development in rural areas, improve education, eradicate hunger, promote gender equality, etc. The Rules include a mandate for business entities to spend a minimum of 2% of their average net profit of the preceding 3 years on CSR initiatives. The Company has formed the Corporate Social Responsibility Committee on June 4, 2014 with clear roles and responsibilities in terms of provisions of Companies Act. As against the budgeted CSR amount of ₹3.72 Crore for FY 15-16, we sanctioned ₹3.03 Crore for 143 different CSR projects received from 76 branches. Out of the sanctioned amount of ₹3.03 Crore, an amount of ₹1.09 Crore has already been spent towards approved CSR activities and the remaining is under progress. The unspent amount of ₹2.63 Crore is carried forward to 2016-17. The Company continues to extend support for social causes like extending financial support to the students, providing infrastructure to the schools and other purposes specified by the Act and rules framed hereunder. The particulars of the amount to be spent, already spent and reasons for not spending the balance, if any, are furnished in the Report of Directors. The Company's policy on Corporate Social Responsibility is uploaded on the Company's website for the information of all the stake holders.

Cautionary Statement

The statements/averments made in this report describing the Company's objectives, estimations, expectations or projections, outlook, etc. constitute forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may differ from such expectations, projections, etc. 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: May 18, 2016

Sd/-
K.N. Prithviraj
Chairman



Report of DIRECTORS

To the Members

Your Directors are pleased to present the 29th Annual Report of the business and operations of the Company together with the audited accounts for the year ended March 31, 2016.

1. Financial Results

The financial performance for the FY 15-16 is summarised here below:

(₹ in Lakh)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Profit before Tax & Provisions	27,326.61	15,169.98
Less: Provision for Standard Assets	1,400.00	1,200.00
Provision for Doubtful Debts (Written Back)	540.53	224.77
Prior Period adjustments	0.00	0.00
Profit before Tax	25,386.08	13,745.21
Tax expenses:		
(a) Provision for Tax - Current Year	8,000.00	4,323.00
(b) Deferred Taxation	1,675.56	797.91
Profit after Tax	15,710.51	8,624.30
Balance brought forward from previous year	309.30	521.72
	16,019.81	9,146.02
Appropriations:		
Transfer to Special Reserve u/s.36(1)(viii) of the Income Tax Act, 1961	5,500.00	2,850.00
Transfer to General Reserve	4,000.00	2,000.00
Additional Reserve (u/s.29C of the NHB Act)	3,200.00	1,800.00
Proposed Dividend	2,663.08	1,864.16
Tax on Distributed Profits	542.15	322.56
Balance carried forward to balance sheet	114.58	309.30
	16,019.81	9,146.02

Your Company recorded a growth 17% in disbursements of housing loans and other loans that was higher than the industry average.

2. Shareholders' Wealth

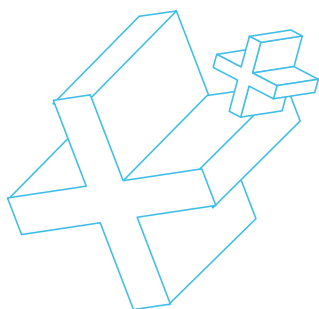
Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Earnings Per Share (EPS) (₹)	59.02	41.45
Dividend Rate	100%	70%
Market Price of shares (₹)	1,154.40	607.40
Market Capitalisation (₹ in Crore)	3,070.70	1,615.68

3. Business Performance Highlights

a. Sanctions

The main challenge during the year under review was to increase the revenue with a focus to increase the bottom line. This challenge was particularly pronounced by the economic slowdown, high interest rates, slow realty sector growth and sluggish apartment off-take.

During the year, your Company continued to focus on retail housing and non-housing loan segment which constituted 99% of its total sanctions



During the year, your Company continued to focus on retail housing and non-housing loan segment which constituted 99% of its total sanctions. Housing and other loans sanctioned amounted to ₹4,418 Crore (previous year ₹3,670 Crore), a growth of 20% over the previous year and significantly higher than the industry average. The cumulative loan sanctions since inception of your Company stood at ₹20,911 Crore at the end of the FY 15-16.

b. Disbursements

Your Company recorded a growth of 17% in disbursements of housing loans and other loans that was higher than the industry average. The cumulative loan disbursements from inception to the end of the FY 15-16 was ₹18,291 Crore.

c. Loans outstanding (Loan Book)

The loan(s) outstanding at the end of the financial year 2015-16 was ₹10,643 Crore (previous year ₹8,231 Crore), registering a growth of 29%.

Your Company continues to give more thrust to increasing the share of high-yielding non-housing loans in the loan-mix. During the year, the share of non-housing loan has increased from 11.00% (₹905.80 Crore) to 11.86% (₹1,261.81 Crore).

d. Non-Performing Asset (NPA)

In a slowing housing loan market, one of the biggest challenges lay in addressing accretion of non-performing assets. Your directors are pleased to report that even as the year under review was challenging for the country's non-banking finance sector, the Gross NPA of your Company as on March 31, 2016 was ₹19.76 Crore (previous year ₹14.35 Crore), possibly the lowest in the industry. The net NPA as on the date continued to be Nil, with the NPA Provision Coverage Ratio at 100%. The gross NPA percentage as on March 31, 2016 stood at 0.19% compared to 0.17% as on March 31, 2015.

During the year under review, your Company could make a cash recovery of ₹3.32 Crore (previous year ₹1.37 Crore) in respect of accounts which were Non Performing Assets as on March 31, 2015. Recovery in written-off accounts during FY 15-16 was ₹0.74 Crore (previous year ₹0.73 Crore).

e. Profits

Your Directors are happy to inform that during the year under review, your Company recorded a Profit Before Tax (PBT) and Provisions of ₹273.27 Crore (previous year ₹151.70 Crore) and Profit After Tax (PAT) of ₹157.11 Crore (previous year ₹86.24 Crore) registering a Year-on-Year increase of 80% and 82%, respectively. During the year under review your Company has made provisions for standard assets amounting to ₹14.00 Crore (previous year ₹12 Crore) and ₹19.04 Crore (previous year ₹9.69 Crore) towards the Deferred Tax Liability (DTL) on Special Reserve. While the Year-on-Year (YoY) growth was 80.13% under Profit before Tax and Provisions, the same was 82.17% under PAT with DTL component and 104.25% without considering the DTL component.

f. Dividend

Your Company has been paying dividends continuously.

Your directors have considered in detail about the dividend with specific reference to the funds and the Capital Adequacy Requirements (CAR) for the projected business plans for next year, creation of Deferred Tax Liability and expected future business growth of your Company.

Considering the views expressed by the Members of your Company at the previous Annual General Meetings, appreciating the confidence reposed by the members in your Company, the Board of Directors of your Company are happy to recommend a dividend of ₹10 per equity share (100%) for the financial year ended March 31, 2016 for all the shareholders (against ₹7 per equity share (70%) recommended during the previous year). The tax on dividends u/s.115-O of the Income Tax Act, 1961, at about 20.36% (previous year 17.30%), is being paid to the Government by your Company.



4. Expansion of Branch Network

During the FY 15-16, 3 new branches were opened by your Company in different States across the country, taking the total number of branches to 110 (previous year 107 branches). Further, your Company introduced the concept of 'Satellite Offices' by which many branches in metropolitan/tier-II cities can source business from additional locations (within 30 km radius) apart from providing doorstep service to existing/potential customers with lower operating costs considering the smaller unit size.

Your Company opened 20 new Satellite Offices across the country in FY 15-16 to take the tally of Satellite Offices from 10 to 30 as on March 31, 2016. The total number of branches / satellite offices as on March 31, 2016 stood at 140.

With this branch network, your Company will enjoy a strong marketing and distribution capabilities to scale its business and address the growing needs of a larger section of customers.

The Registered Office and all the branches are provided with state-of-the art ambiance, spacious premises, and other facilities to enhance service quality and visibility in the market.

For the year FY 16-17, your Company has envisaged opening branches/satellite offices in 35 locations, out of which 27 branches/satellite offices were opened on a single day viz., on April 21, 2016 and another 3 branches in May 2016.

5. Technology Initiatives

All the branches of your Company and the Registered Office are linked through a core-banking platform (Integrated Business Suite) under the Application Service Provider (ASP) Model that enriched data management and strengthened service delivery. All the new branches were opened on the Core Banking platform from day one. Your Company increased its bandwidth to enhance operational speed across branches through the ASP vendor through an additional connectivity provider (Tata and Reliance).

In order to improve operational efficiency, your Company embarked on technology initiatives like the introduction of Online Application Module in the Company's website to receive applications online, mobile website, customer portal in the website to draw account statements/certificates at customers' end, missed call facility to borrowers to inform them about outstanding balances in their loan accounts, SMS alerts to remind borrowers of loan installments/new schemes. The Electronic Clearing System (ECS) facility for collection of installments covers almost 69.74% of the new accounts making the recovery process smooth and hassle-free.

Your Company has introduced online money transfer & 'E-info Book' as a mobile application, to facilitate its borrowers to view their mini-statement of account(s), product information, branch location and last six entries in their accounts.

6. Customer-Friendly Initiatives

During the year, your Company conducted studies for evaluating the systems/procedures/processes/products of peer group players to examine the best practices and implement/adopt those suitable, to ensure simple and customer-friendly processes. Earnest efforts were made to reduce the turnaround time (TAT) in sanctioning and disbursing loans at all levels.

Your Company continued to adopt transparent, ethical, equitable practices towards all customer segments. Your Company's website provided all the major information on the products and applicable charges. The Fair Practice Code (FPC) and Most Important Terms and Conditions (MITC) reviewed at half-yearly intervals based on feedback from customers/branches and as per NHB guidelines. Your Company received encouraging response to its unique referral scheme wherein many existing customers benefited from the refunds of their processing fees upon referring new customers to the Company and on getting the same disbursed.

As another customer-friendly initiative, your Company has introduced on-line transfer facility to the borrower for making remittances to their respective loan accounts and an on-line customer feedback facility through which the customers can offer their suggestions, complaints, if any and feedback.

7. Financial Resources

a. Refinance from National Housing Bank (NHB)

During the year, in all, your Company has availed fresh refinance amounting to ₹630.64 Crore (previous year ₹1,345.90 Crore) under the NHB refinance scheme to housing finance companies. The cumulative NHB borrowings as on March 31, 2016 were ₹3,535.05 Crore (previous year ₹3,220.34 Crore), with the overall cost of borrowing (including the loans under Rural Housing and Urban Housing Schemes) of 8.74% p.a. as on March 31, 2016.

Borrowings from Banks

Your Company progressively reduced its dependence on bank borrowings (31% to 27% of total borrowings on YOY basis). 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 HUDCO, State Bank of India, Bank of Baroda, HDFC Bank, Oriental Bank of Commerce and Federal 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 ₹2,531.65 Crore (previous year ₹2,307.12 Crore); The overall borrowings are always within regulatory ceiling (16 times of audited net owned funds).

The overall cost of borrowings was 9.81% p.a. as on March 31, 2016. During the year, the long-term 'rating' for term loans for your Company was 'ICRA]AAA' (pronounced ICRA triple A) by ICRA

Ltd., these ratings assumed to possess the highest degree of safety with regard to the timely servicing of financial obligations.

While reaffirming the ratings by ICRA during February 2016, the outlook on the long-term ratings has been revised from stable to negative.

b. Debentures

(i) Secured Non-Convertible Debentures

In its continuing efforts to reduce fund costs, your Company issued Secured Redeemable Non-Convertible Non-Cumulative Taxable Debentures (SRNCD) aggregating ₹1,540 Crore (previous year ₹300 Crore) in different tranches through private placement with a coupon rate range of 8.41% to 8.85%. The debentures were secured by way of a floating charge on the assets i.e., loan receivables specifically earmarked for the purpose/mortgage of an immovable property 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 to two to three years. The interest on these debentures was serviced as and when it became due. The aggregate borrowings by way of Secured NCDs as on March 31, 2016 was ₹2,090 Crore (previous year ₹550 Crore) while the overall cost was 8.94% p.a.

The Debentures issued by your Company were rated by three rating agencies viz., Credit Analysis & Research Ltd. (CARE), India Ratings and Research Pvt. Ltd. (FITCH) and ICRA Ltd.

The debentures were rated '[CARE] AAA' by CARE, 'IND AAA' by India Ratings and Research Pvt. Ltd (FITCH), and '[ICRA] AAA' by ICRA Limited. While reaffirming the ratings by ICRA during February 2016, the outlook on the long-term ratings has been revised from stable to negative. 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 ₹3,000 Crore (last year ₹2,500 Crore as permitted by AGM) in a year, subject to cost benefit and asset liability management requirements.

(ii) Unsecured Non-Convertible Debentures

During the previous year, 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 Adequacies Requirements. These Tier II Bonds were rated 'IND AAA' long-term rating by India Rating & Research Pvt Limited

(FITCH), '[CARE] AAA' by Credit Analysis & Research Ltd., (CARE) and '[ICRA] AAA' by ICRA Ltd., While reaffirming the ratings by ICRA during February 2016, the outlook on the long-term ratings has been revised from stable to negative. Your Company has serviced the interest on the above debentures on the due date.

c. Commercial Paper

Your Company started mobilising funds through commercial paper (CP) since July 2014. The outstanding at the end of the March 2016 was ₹1,000 Crore. The effective cost of funds was 7.30% p.a. The CP issue by your Company was rated at the maximum [ICRA] A1+ rating by ICRA Ltd., 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 ₹67.66 Crore (Previous year ₹113.62 Crore) The outstanding balance of deposits (including interest accrued, but not due) as of March 31, 2016 was ₹220.97 Crore (previous year ₹222.06 Crore). The rate of interest on public deposits ranged from 7% to 9.25%, while the overall cost of deposits was 9.47% p.a. as on March 31, 2016.

As on March 31, 2016, a sum of ₹17.06 Crore relating to 1,106 accounts (₹14.50 Crore as on March 31, 2015 relating to 1,154 accounts) remained unclaimed/overdue. Of this amount, a sum of 2.20 Crore relating to 239 accounts (previous year ₹6.67 Crore relating to 271 accounts) was claimed and renewed/settled as of May 18, 2016. The depositors whose deposits matured were intimated with a request to either renew or claim their deposits (followed by subsequent reminders). 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 are rated 'MAAA' (pronounced as M Triple A) against 'MAA+' (pronounced M double A plus) during the previous year by ICRA Ltd., indicating "highest credit-quality and that the rated deposit programme carried the lowest credit risk". While reaffirming the ratings by ICRA during February 2016, the outlook on the long-term ratings has been revised from stable to negative. The reason for revision in outlook for the ratings, as stated by ICRA was due to revision in outlook for long-term debt programme of sponsor bank.

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, 2016.

8. 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 and NHB.HFC.DIR.9/CMD/2013 dated September 6, 2013, in addition to the provision for non-performing assets, 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) 0.40% of the total outstanding amount of loans, which are Standard Assets other than (i) and (ii) above.

Loans to individuals for third dwelling units onwards are treated as Commercial Real Estate (CRE) exposure. A provision of ₹14 Crore was made in the books as on March 31, 2016 and the cumulative provision in that regard stood at ₹52 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, 2016.

Your Company carved out ₹19.04 Crore from current year P&L and ₹18.50 Crore from General Reserves towards DTL as per NHB guidelines NHB(ND)/DRS/Pol.62/2014 dated May 27, 2014 and NHB(ND)/DRS/Pol.65/2014 dated August 22, 2014 and ensured full compliance of regulatory guidelines. Amount which is proposed to be transferred to reserves is given in detail in Note no. 3 of Notes forming part of the financial statements

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.

9. Compliance under the Companies Act, 2013

The Companies Act, 2013, with Rules, were notified with effect from April 01, 2014 with substantial changes in the requirement of law. Your Company has complied with the requirements of the above Act, as applicable, during FY 15-16. In accordance with Sec 134 (3) (a) of the said Act, an extract of the Annual Return in the prescribed format is appended as Annexure 4 to this Report.

10. Capital Adequacy

The Capital Adequacy Ratio (CAR) of Your Company as at March 31, 2016 was 20.69% (previous year 18.39%), well above the Regulatory benchmark of 12% prescribed by the National Housing Bank (NHB). The increase in CAR was mainly due to downward revision of risk weightages by the National Housing Bank during October, 2015 as per directions of NHB/HFC/DIR17/MD&CEO/2015/dt-October 9, 2015.

11. Depreciation

Depreciation was calculated on the Written Down Value Method as per the useful life, in the manner prescribed in Schedule II to the Companies Act, 2013. The Company reworked the useful life on various Fixed Assets as prescribed in Part C of Schedule II of the Companies Act, 2013 in FY 14-15. In respect of those assets whose remaining useful life as on April 01, 2014 was Nil, the same was adjusted to the General Reserve in FY 14-15 as prescribed under 7(b) to the notes of the said Schedule II of the Companies Act, 2013. Your Company followed the similar method for FY 15-16 also.

12. Deferred Tax Liability (DTL)

Vide Circular NHB (ND)/DRS/Pol.62/2014 dated May 27, 2014, the National Housing Bank (NHB) directed Housing Finance Companies (HFCs) to provide for deferred tax liability with respect to 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 permitted HFCs to adjust the Deferred Tax Liability in a phased manner over three years in the ratio of 25:25:50 starting from FY 14-15. Accordingly, your Company has to adjust the DTL of ₹7399.96 Lakh in three years. During the current year, your Company has transferred ₹1,850.00 Lakh (Previous ₹1,850.00 Lakh) from the General Reserve to DTL, on the Special Reserve outstanding as on March 31, 2014.

Further, Deferred Tax Liability (net) of ₹1,675.56 Lakh (previous year ₹797.91 Lakh) was charged to the Statement of Profit & Loss, on account of various components of asset & liabilities including Special Reserve appropriated during the current year.

Further, Deferred Tax Liability of ₹19.04 Crore (previous year ₹9.69 Crore) was charged to the Statement of Profit & Loss, because of Special Reserve appropriated during the current year.

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 73 defaulting borrowers under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest ("SARFAESI") Act, 2002 and recovered ₹2.66 Crore (previous year ₹2.79 Crore) from borrowers of Non-Performing accounts. By way of seized assets, your Company has recovered ₹1.09 Crore (previous year - ₹0.82 Crore). During the year, Company recovered ₹0.74 Lakh in written off accounts (previous year ₹0.37 Lakh). During the year, your Company negotiated one-time settlement (OTS) with eligible NPA borrowers as per its recovery policy and recovered ₹206.65 Lakh (previous year ₹231.60 Lakh).

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.

The Securities & Exchange Board of India, vide its letter dated December 26, 2014 bearing No. WTM/ RKA/MRD/165/2014, granted an exit to the Bengaluru Stock Exchange Ltd., (BgSE), Bengaluru.

Listing Agreement: The Securities Exchange Board of India (SEBI), has notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on September 2, 2015 with the aim to consolidate and streamline the provisions of Listing Agreements for different segments of capital to ensure better enforceability. The Regulations were effective from December 1, 2015.

Accordingly, as per the requirements, your Company entered into Listing Agreements with the National Stock Exchange of India Ltd and BSE Limited within the prescribed period.

Shri K.S. Sathyaprakash, FCS, continued to be the Compliance Officer of the Company during the FY 15-16. The Board of Directors have authorised the Company Secretary and the Chief Financial Officer, severally, for reporting disclosure of material events, if any, in terms of Regulation 30 of the said Regulations.

15. Human Resources Development

The total number of employees of your Company was 553 (395 regular and 158 on contract) as on March 31, 2016 as against 491 (318 regular and 173 on contract) as at the end of the

previous year. Your Company adopted the policy of recruiting local people in the respective branch locations to improve functional efficiency of the branches. Attrition rate stood at about 2% for regular employees, which is far below the industry level.

To prepare employees in addressing the latest changes/developments in the housing finance area and related subjects, some employees were deputed for training programmes/seminars on topics of relevance to housing finance, 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 timely/continuous promotions, proper placements, implementing appropriate employee recognition schemes, rewards for good work at Board level, promising career path etc. Besides, eligible branches/branch employees were rewarded with unique cash incentives for reducing SMAs and NPAs.

Industrial relations in your Company continued to be cordial during the year.

Particulars of Employees:

During FY 15-16, your Company had not employed anyone with a remuneration of ₹60 Lakh or more per annum nor had employed for a part of the year with a remuneration of ₹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, 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 FY 15-16 was 5.58 : 1 (Non-executive directors and Independent Directors are eligible for sitting fee only)
- ii. The percentage increase in remuneration in the financial year for Managing director was 28.00% (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 21% and 23% respectively.
- iii. The percentage increase in the median remuneration of employees in the financial year: 26.56%.
- iv. The number of permanent employees on the rolls of the Company: 395



- v. The explanation on the relationship between average increase in remuneration and Company's performance: The increase in remuneration of the employees is as per the HR Policy of the Company and not in relation to the performance of the Company. The variable Component of the salary of the employees is linked to the performance of the employee in terms of his/her key responsibility area.
- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: For the FY 15-16, the total remuneration paid to the KMPs were approx. 0.34% of the net profit for the year.
- vii. The Market capitalisation of the Company has increased from ₹1,615.68 Crore as of March 31, 2015 to ₹3,070.57 Crore as of March 31, 2016. Over the same period, the price to earnings ratio moved from 18.73% to 19.56%. The Company's stock price as at March 31, 2016 has increased to ₹1,154.35 (NSE) from ₹607.40 (NSE) as at March 31, 2015.
- viii. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Average % increase in remuneration of the employees was around 15%, whereas that of Managerial remuneration was around 26%.
- ix. Comparison of the each remuneration of the Key Managerial Personnel against the performance of the Company: % increase YOY in the net profit of the Company was around 45% and that of the KMPs were as per para (ii) of the above.
- x. The key parameters for any variable component of remuneration availed by the directors and the ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the financial year: Not Applicable
- xi. The Company affirms remuneration is as per the Remuneration Policy of the Company.

During the year the Company has not engaged any employee drawing remuneration exceeding the limit specified under section 197(12) read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

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 "The Sexual Harassment of Women

at Workplace (Prohibition, Prevention and Redressal) Act, 2013". During FY 15-16 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.

16. Transfer of Unclaimed and Unpaid Dividend/Deposit Amounts to the Investor Education and Protection Fund (IEPF)

In terms of (section 125 of the Companies Act, 2013 yet to be notified) 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, 2016, dividends aggregating to ₹98.34 Lakh (previous year ₹83.63 Lakh) relating to dividends declared for the years FY 08-09 to FY 14-15 (of which ₹25.57 Lakh related to dividend for the year 2015), 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 2007-08, which remained unclaimed/unpaid amounting to ₹7.43 Lakh (in respect of 1,873 shareholders), was transferred to IEPF in October 2015, 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 2008-09 remaining unclaimed

and unpaid, amounting to ₹5.49 Lakh (in respect of 1,880 shareholders) as on March 31, 2016, would be transferred to IEPF during August 2015 after settlement of the claims received up to the date of completion of seven years.

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 2007-08 amounting to ₹3.62 Lakh (previous year ₹19.43 Lakh) that remained unclaimed and unpaid for a period of 7 years were transferred to IEPF during the year under review.

17. Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure

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 13 branches so far as a measure for conservation of energy. Your Company has installed Solar-UPS in some of its branches. Certain branches of your Company have been using solar power energy, LED lamps etc.

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 by suitable leveraging of technology (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 ₹12 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) Shri C. Ilango, Managing Director (General Manager, Canara Bank) was re-appointed as the Managing Director with effect from April 28, 2016
- (2) Shri Sarada Kumar Hota, Dy. General Manager, Canara Bank was appointed as Additional Director and Whole-time Director with effect from April 28, 2016
- (3) Smt. Bharati Rao, Former Dy. Managing Director of State Bank of India was appointed as Additional Director

(Independent Director) with effect from April 28, 2016

- (4) Shri Sarada Kumar Hota, Whole-time Director of the Company has been appointed as the Managing Director with effect from May 19, 2016, consequent to repatriation of Shri C. Ilango, Managing Director, to Canara Bank.

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 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 29th Annual General Meeting of the Company seeking approval and/or ratification 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.

The Board of Directors appointed Smt. Veena G Kamath, ACS, as the Company Secretary with effect from April 1, 2015. Further, the Board of Directors appointed the said Company Secretary as the Compliance Officer with effect from May 2, 2016. Shri K.S. Sathyaprakash, FCS, Dy. General Manager and the former Company Secretary of the Company continued to be the Compliance Officer till May 1, 2016.

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 the 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 provided in the explanatory statement.

Resignations

Shri C. Ilango, Managing Director of the Company submitted his resignation with effect from May 18, 2016 (after office hours) consequent to his repatriation to Canara Bank, as necessary permission was not accorded by the competent authority for extension of tenure beyond 5 years. The Board places on record its appreciation for the services rendered by Shri C. Ilango during his tenure of five years with the Company.



Smt. Bharati Rao, Additional Director resigned from the Board of the Company with effect from May 18, 2016 due to personal reasons.

19. Meetings of the Board

During the year, six 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.

Committees of the Board

Currently the Board had six Committees viz. the Audit Committee, the Nomination and Remuneration 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 this Act 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 with Section 149(7) of the Companies Act, 2013 that they meet the criteria of independence as provided in sub-section(6) of Section 149.

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 FY15-16. 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 and Remuneration Committee (NRC)

Your Company constituted a Nomination and Remuneration Committee (NRC) of the Board in terms of Section 134(3)(e) of the Act and Regulation 19 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 consisting of 3 Directors. This Committee identifies persons who are qualified to become Directors of the Company. The appointment, renewal, re-appointment, 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. The NRC Policy of the Company covering all the above aspects is made available on the official website of the Company viz: [http://www.canfinhomes.com/Aboutus/Board of Director \(path\)](http://www.canfinhomes.com/Aboutus/Board of Director (path)).

22. Corporate Social Responsibility (CSR) Policy

The CSR Rules made effective from April 1, 2014, are intended to promote socio-economic development in rural areas, improve education, eradicate hunger, promote gender equality, etc. The Rules include a mandate for business entities to spend a minimum of 2% of their average net profit of the preceding 3 years on CSR initiatives.

Your Company constituted a Corporate Social Responsibility (CSR) Committee of the Board as prescribed under Section 135 of the Act and has put the CSR policy in place. The total amount to be spent under the CSR initiatives for FY 15-16 was ₹372 Lakh (previous year ₹162 Lakh), out of which projects sanctioned under

CSR activities was ₹303 Lakh, out of which an amount of ₹109 Lakh was spent (previous year ₹3.10 Lakh) during the year. The unspent amount of ₹263.28 Lakh for FY 15-16 (previous year ₹158.90 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 16-17. 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 two directors and senior executive of the Company. In terms of Section 134 (3) (n) of the Act, your directors wish to state that your Company has drawn and implemented a risk management policy including identification therein of elements of risks, if any, which in the opinion may threaten the existence of your Company. The above policy is being reviewed/re-visited once a year or at such other intervals as deemed necessary for modifications and revisions, if any.

24. Audit and Internal Control

Your Company strengthened the adequacy of the existing internal control systems for loan reviews at periodical intervals and measures for minimising operational risks commensurate with the nature of its business and the size of operations. Further, your Company has established clear delegation of authorities and standard operating procedures for all parts of the business/ functions. Your Company has further strengthened Offsite Transaction Monitoring System (OTMS) to track transactions/ early-warning signals across all branches by introducing new monitoring tools.

The National Housing Bank conducts inspection of your Company on an annual basis. During the year, the NHB conducted credit inspection of your Company in September 2015 for the position as at March 2015. The compliance on the observations was submitted within the prescribed time to the NHB, which was reviewed, by the Audit Committee and the Board.

All the branches are subjected to quarterly/half yearly audit by external auditors who conduct audit and submit their reports. 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 110 branches that became due for audit, were audited in FY 15-16.

Apart from the RBIA Audit, considering the volume of the 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 with KYC norms.

25. Secretarial Audit

The Secretarial Audit for FY 15-16 was conducted as required U/s.204 of the Companies Act 2013, by S. Kedarnath and Associates, a firm of Company Secretaries in Practice. 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 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.30 of the Notes forming part of the financial statements for FY 15-16, forming a part of the annual report. The particulars of Related Party Transaction as required u/s sec 134(3)(p) and 134(3)(n) in the prescribed format is attached to this Report as Annexure 5.

26. Auditors

M/s K.P. Rao & Co., Chartered Accountants, Bengaluru, Statutory Auditors of your Company (Firm Registration No.003135S) appointed by the members at the 28th Annual General Meeting (AGM) of your Company held on July 08, 2015 and other 42 firms of branch auditors who were appointed by the Board based on the approval of the members at the above AGM, to hold office from the conclusion of the said meeting until the conclusion of the ensuing AGM of your Company, would retire at the ensuing AGM and are eligible for re-appointment.

Your Company has obtained the consent and a certificate from the statutory auditors under section 139 of the Companies Act, 2013 to the effect that their re-appointment, if made, would be in accordance with the conditions as may be prescribed. The statutory auditors have also confirmed that they hold a valid certificate issued by the 'Peer Review Board' of The Institute of Chartered Accountants of India.

Your Directors recommend the appointment/re-appointment of M/s. K.P.Rao & Co, Chartered Accountants as the Statutory Auditors. The resolutions seeking approval of the members for appointment of Statutory Auditors and fixation of



their remuneration and authorisation to the Board of Directors for appointment of Branch Auditors and fixation of their remuneration are included in the notice convening the ensuing Annual General Meeting. The above said appointment attracts the provisions of Section 139, 142, 143 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules.

Statutory Auditors Report:

In terms of Section 134(4) and 134(3)(ca) of the Act, your Directors are pleased to inform that, as in the previous years, there is no qualification, reservation or adverse remark or disclaimer made by the statutory auditors of the Company in their audit report for the financial year FY 15-16.

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its Business, adherence to its polices, safeguarding its assets, prevention and detection of frauds/errors, accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures. M/s K P Rao & Co, the Statutory Auditors of the Company have audited the Internal Financial Controls over the Financial Reporting of the Company and submitted a Report, which forms part of the Auditors' Report, placed before the members together with the Financial Statements for FY 15-16.

Your Directors wish to inform that there are no material changes and commitments, other than what is reported in the financial statements, affecting the financial position of your Company which occurred between the end of the financial year of your Company to which the financial statements relate and the date of this report. Your Director also wish to inform that there were no significant and material orders passed by the Regulations/Courts/Tribunals impacting the going concern status and Companies operations, in future.

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 and Regulation 34 read with Schedule V of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the 'Report of Directors on Corporate Governance' for the year FY 15-16 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 etc.

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.

In terms of Regulation 17(10) of the SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015, 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. As a step towards paperless banking, initiatives taken by your Company include ECS 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 three new branches (13 in all) and the like. The usage of the paper is minimised.

As in the previous years, we are publishing only the statutory disclosures in the print version of the Annual Report. Electronic copies of the Annual Report and Annual General Meeting 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, physical copies are sent in the permitted mode.

30. Outlook for 2016-17

The RBI and the Government continued the policy of managing inflation, promoting investment through employment generation and improving infrastructure. The real estate industry (including housing) is expected to strengthen in the current year across the country; credit offtake is likely to improve. Reduction of interest rates are expected and the consequent impact on spreads are expected to sustain .

Your Company drew out a challenging business plan for FY 16-17 with target loan book size of ₹13,500 Crore by March'17. Your Company would continue to focus on lending to individual segments preferably the salary class, increasing the Non Housing

Loan ratio, further improve asset quality, reducing cost of funds further, increasing operations and profits.

Your Company has drawn a vision document upto the year 2020, with an aim to reach a loan book size of ₹35,000 Crore by March 2020. Your Company expects to sustain performance growth during 2016-17.

However, given the indications about the likely changes in the cost of funds and expectations of borrowers for availing loans at lesser rates, etc., margins are expected to remain under pressure.

31. Acknowledgements

Your Directors would like to thank Canara Bank for consistent 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 continued 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), 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 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 worked 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: May 18, 2016

Sd/-
K.N. Prithviraj
Chairman



Annexure 1

AUDITOR'S 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, 2016 as stipulated under clause 49 of the listing agreement and Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with various Stock Exchanges.

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)/Regulations.

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 **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

Sd/-
K. Viswanath
Partner
Membership No. 022812

Place : Bengaluru
Date : April 28, 2016

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 of Board of Directors and Senior Management

I, C. Ilango, Managing Director & Chief Executive Officer of Can Fin Homes Ltd., hereby declare that all the Board members 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, 2016.

Place: Bengaluru
Date: April 28, 2016

Sd/-
C. Ilango
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 31st MARCH, 2016)

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 MN 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 31st March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place.

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 31st March, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
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 there under; hence not applicable.
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under;
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 (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Company has complied with the requirements of The SEBI (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and SEBI (Prohibition of Insider Trading) Regulations, 2015 (effective 15th May 2015) as to the requirements of providing necessary

information on the Company's website and other necessary disclosures;

- iii. There were no occasions needing compliance under the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; hence not applicable
 - iv. The Company has not issued any securities under ESOP/ESPS during the year under the provisions of The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - vi. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993. Not applicable as the Company is not registered as Registrar to issue and Share Transfer Agent during the year under review.
 - vii. 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, 2009; and hence not applicable.
 - viii. The Company has not brought back any securities during the financial year under the provisions of The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and hence not applicable
- The Company has signed revised listing Agreements with the National Stock Exchange Limited and the BSE Limited in terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 6 We further report that based on the guidelines issued by ICSI on the applicability of industry specific laws as applicable to the Company and as per the information received from the management, records maintained, and on test check basis, the Company has, in our opinion, generally complied with the provisions of the following Industry specific laws / Guidelines as are applicable to it:
 - 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 and
 - iv. Guidelines and circulars issued under the National Housing Bank Act, 1987 from time to time.



- v. FIMMDA operational Guidelines (RBI) for Commercial Papers.
- vi. Guidelines on Fair Practices Code for HFCs issued by NHB

We have also examined compliance with the applicable clauses of:

- a) The listing Agreements entered into by the Company with BSE and NSE Stock Exchanges and SEBI (Listing obligations and Disclosure Requirements) 2015 effective from 1st December 2015.
- b) The Secretarial Standards SS-1 and SS-2 issued by the Institute of Company Secretaries of India and having duly notified by the Central Government effective from 1st July 2015

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

Adequate notice 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, the Company has:

- i. Issued and allotted on Private Placement basis ₹1,040 Crore Non Convertible Debentures in various tranches under series 1 to 8 out of the amount of ₹2,500 crores authorised by the special resolution passed at the

Annual General Meeting held on 8th July 2015. These debentures were since listed with NSE of India Ltd.

- ii. Has paid a fine of ₹28,000 for delayed submission of Corporate Governance Reports to the Stock Exchanges for the Third Quarter of FY 15-16.
- iii. Accepted Public Deposits aggregating to ₹220.97 Crore.
- iv. Passed Ordinary / Special Resolutions for approval of the following events at its AGM held on 8th July 2015:
 - a) Acceptance of deposits from Public.
 - b) Increase in the Borrowing Powers of the Board from ₹12,000 Cr (Rupees Twelve Thousand Crore) to ₹14,000 Cr (Rupees Fourteen Thousand Crore)
 - c) Passed Resolution under Section 180 of the Companies Act, for creation of charge/hypothecation of the assets of the Company towards security to the extent of borrowings limits from time to time.
 - d) Offer or invitation for subscription for Non-Convertible Debentures (NCD) aggregating to ₹2,500 Crore.
 - e) Approval of related party transactions with Canara Bank, the Sponsor Bank of the Company and their subsidiaries.
 - f) Authorising issue of ESOPS.
- v. The Company obtained sanction for fresh refinance limit of ₹700 Crore from National Housing Bank.
- vi. The Company has spent an amount of ₹1.09 Crore towards CSR activities out of the total allocated amount of ₹3.72 Crore during the financial year under report. The unspent amount of ₹0.50 Crore (FY 14-15) and ₹2.13 Crore (FY 15-16) has been carried forward as per the provisions of Companies Act with an aim to go in for granular details / appropriate project before spending in the year FY 16-17. .

For **S Kedarnath & Associates**
Company Secretaries

Sd/-

S. Kedarnath

Company Secretary

C P No 4422

Place: Bengaluru

Date: May 18, 2016

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

The Members,
CAN FIN HOMES LIMITED,
Bengaluru- 560004

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of Secretarial Records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company including applicable laws of branch offices in India.
4. Where ever required, the Company has represented about the compliance of laws, rules and regulations and happening of events etc as applicable from time to time. The compliance under the industry specific laws were examined based on the list of applicable laws provided by the Company.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures 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.

For **S Kedarnath & Associates**
Company Secretaries

Sd/-

S. Kedarnath

Company Secretary
C P No 4422

Place: Bengaluru
Date: May 18, 2016



Annexure 4

EXTRACT OF ANNUAL RETURN

(Form No. MGT - 9)

AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2016

[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 LTD
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
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, JP Royale, 1st Floor, 2nd Main Sampige Road, (Near 14th Cross) Malleshwaram, Bengaluru - 560 003. Contact Person: Shri A.Ravi, Manager Tel: 080-23469661/662/664/665 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	NA - Housing	81.70%
2.	Non housing	Finance	18.30%

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
1.			Not Applicable		

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year - March 31, 2015				No. of Shares held at the end of the year - March 31, 2016				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	--	--	--	--	--	--	--	--	--
b) Central Govt	--	--	--	--	--	--	--	--	--
c) State Govt(s)	--	--	--	--	--	--	--	--	--
d) Bodies Corp	--	--	--	--	--	--	--	--	--
e) Banks / FI	11572927	--	11572927	43.47	11567207	--	11567207	43.45	(0.02)
f) Any Other	--	--	--	--	--	--	--	--	--
Sub-total(A)(1):-	11572927	--	11572927	43.47	11567207	--	11567207	43.45	(0.02)
2) Foreign	--	--	--	--	--	--	--	--	--
g) NRIs-Individuals	--	--	--	--	--	--	--	--	--
h) Other-Individuals	--	--	--	--	--	--	--	--	--
i) Bodies Corp.	--	--	--	--	--	--	--	--	--
j) Banks / FI	--	--	--	--	--	--	--	--	--
k) Any Other....	--	--	--	--	--	--	--	--	--
Sub-total(A)(2):-	--	--	--	--	--	--	--	--	--
B. Public Shareholding	--	--	--	--	--	--	--	--	--
1. Institutions	--	--	--	--	--	--	--	--	--
a) Mutual Funds	148147	200	148347	0.56	157328	200	157528	0.59	0.03
b) Banks / FI	40765	--	40765	0.15	9710	--	9710	0.04	(0.11)
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--
e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	22200	--	22200	0.08	26108	--	26108	0.10	0.02
h) Foreign Venture Capital Funds	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
(i) Foreign Financial Institutions	--	2500	2500	0.01	--	2500	2500	0.01	--
Sub-total(B)(1)	211112	2700	213812	0.80	193146	2700	195846	0.74	(0.06)
2. Non Institutions									
a) Bodies Corp.	7086605	10400	7097005	26.66	6187398	10000	6197398	23.28	(3.38)
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto ₹2 Lakh	4832144	996265	5828409	21.90	5066799	912064	5978863	22.46	0.56

**IV. SHARE HOLDING PATTERN** (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year - March 31, 2015				No. of Shares held at the end of the year - March 31, 2016				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(ii) Individual shareholders holding nominal share capital in excess of ₹ 2 Lakh	1405033	--	1405033	5.28	2118340	--	2118340	7.96	2.68
b) Qualified Foreign Investor	--	--	--	--	332	--	332	--	--
c) Others(Specify)									
i) Non-Resident Indians	227375	1700	229075	0.86	362230	1700	363930	1.37	0.51
ii) Clearing Members	45173	--	45173	0.17	27506	--	27506	0.10	-0.07
iii) Hindu Undivided Families	191054	--	191054	0.72	164240	--	164240	0.62	-0.10
iv) Employee Shareholders	1623	4637	6260	0.02	3877	1883	5760	0.02	--
v) Director & their relatives	520	--	520	--	520	--	520	--	--
vi) Custodian	-	--	--	--	--	--	--	--	--
vii) Trusts	30974	--	30974	0.12	300	--	300	--	-0.12
Sub-total(B)(2)	1382051	1013002	14833503	55.73	13931210	925647	14856857	55.81	0.08
Total Public Shareholding (B)=(B)(1)+(B) (2)	14031613	1015702	15047315	56.53	14124356	928347	15052703	56.55	0.02
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	25604540	1015702	26620242	100.00	25649113	928347	26620242	100.00	--

i. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during 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	
1.	Canara Bank	11572927	43.47	--	11567207	43.45	--	-0.02
	Total							

ii. 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	11572927	43.47	11572927	43.47
	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): From April 1, 2015 to March 31, 2016	5720	0.02	11567207	43.45
	At the End of the year	11567207	43.45	11567207	43.45

P.S: The percentage of shareholding is calculated on the paid-up share capital.

iii. 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.	CHHATTISGARH INVESTMENTS LTD.				
	At the beginning of the year	3813006	14.32	3813006	14.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	234399	0.88	3578607	13.44
	At the End of the year	3578607	13.44	3578607	13.44
2	CATAMARAN MANAGEMENT SERVICES P.LTD.				
	At the beginning of the year	827890	3.11	827890	3.11
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	240224	0.90	1068114	4.01
	At the End of the year	1068114	4.01	1068114	4.01
3	ADITYA MUNDRA	0	0	0	0
	At the beginning of the year				
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	836846	3.14	836846	3.14
	At the End of the year	836846	3.14	836846	3.14
4	NITIN RAOJIBHAI DESAI				
	At the beginning of the year	445401	1.67	445401	1.67
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	0	0	445401	1.67
	At the End of the year	445401	1.67	445401	1.67
5	EDELWEISS SECURITIES LTD				
	At the beginning of the year	86497	0.32	86497	0.32
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	71764	0.27	158261	0.59
	At the End of the year	158261	0.59	158261	0.59
6	GOLDENLIFE FINANCIAL SERVICES PVT LTD				
	At the beginning of the year	66500	0.25	66500	0.25
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	133314	0.50	199814	0.75
	At the End of the year	199814	0.75	199814	0.75



iii. 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
7	PARAM CAPITAL RESEARCH PVT. LTD.				
	At the beginning of the year	36657	0.14	36657	0.14
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	95893	0.36	132550	0.50
	At the End of the year	132550	0.50	132550	0.50
8	SUNDARA MUTUAL FUND				
	At the beginning of the year	147972	0.55	147972	0.49
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	(11780)	(0.04)	136192	0.51
	At the End of the year	136192	0.51	136192	0.51
9	JASUBHAI HARIBHAI DESAI				
	At the beginning of the year	130114	0.49	130114	0.49
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	0	0	130114	0.49
	At the End of the year	130114	0.49	130114	0.49
10	NIKITA ADITYA MUNDRA				
	At the beginning of the year	0	0	0	0
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): From April 1, 2015 to March 31,2016	80403	0.30	80403	0.30
	At the End of the year	80403	0.30	80403	0.30

P.S: 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
1	Shri P.B.Santhanakrishnan, Director				
	At the beginning of the year	520	0.002	520	0.002
	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.):	-	-	-	-
	At the End of the year	520	0.002	520	0.002

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	60774557814	10750000000	2220568129	73745125943
interest due but not paid	0	0	0	0
Interest accrued but not due for payment	104295284	29146849	0	133442133
Total	60878853098	10779146849	2220568129	73878568076
Change in indebtedness				
Addition	26556400057	50877906595	860170716	78294477368
Reduction	5598191505	49369968821	871003275	55839163600
Net Change	20958208552	1507937774	(10832559)	22455313768
Closing Balance				
principal	80309287941	12257692842	2209735570	94776716354
interest due but not paid	0	0	0	0
Interest accrued but not due for payment	1527773709	29391781	0	1557165490
Total	81837061650	12287084623	2209735570	96333881844

VII. Remuneration of Directors and Key Managerial Personnel

A. Remuneration to Managing Director

(Amount in Lakh)

Sr. no	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Shri C. Ilango			
1	Gross Salary				
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	21.76	-	-	21.76
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission -as% of profit -others, Incentive	3.75	-	-	3.75
5	Others (Company's contribution to PF)	0.97	-	-	0.97
	Total (A)	26.48	-	-	26.48
	Ceiling as per the Act				

P.S.: Re-imbursment of salary to Canara Bank for the year ended March 31, 2016.



B. Remuneration to other Directors

(Amount in Lakh)

Sr. no	Particulars of Remuneration	Name of the Directors			Total Amount
		KN Prithviraj	P B Santhanakrishnan	T V Rao	
	Independent Directors				--
	Fee for attending board committee meetings	1.5	2.6	3.0	7.10
	Commission	0	0	0	0
	Others, please specify	0	0	0	0
	Total (1)	1.5	2.6	3.0	7.10
	Other Non-Executive Directors	S A Kadur	P V Bharathi	--	--
	· Fee for attending board committee meetings	1.6	1.1	--	2.70
	· Commission	0	0	--	--
	· Others, please specify	0	0	--	--
	Total (2)	1.6	1.1	--	2.70
	Total (B)=(1+2)	3.1	3.7	3.0	9.80
	Total Managerial Remuneration	--	--	--	--
	Overall Ceiling as per the Act	--	--	--	--

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

(Amount in Lakh)

Sr. 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	10.16	10.24	20.40
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	1.29	0.30	1.59
	(c) Profits in lieu of salary under section 17(3) of Income Tax Act, 1961	0	0	0
2	Stock Option	0	0	0
3	Sweat Equity	0	0	0
4	Commission -as% of profit -others, Incentive/LFC	0.75	1.73	2.48
5	Others (Company's contribution to PF)	1.09	0.93	2.02
	Total (A)	13.29	13.20	26.49
	Ceiling as per the Act			

VIII. Penalties/Punishment/Compounding of Offences:

There were no penalties/punishments/compounding of offences for the year ending March 31, 2016

Place: Bengaluru
Date: May 18, 2016Sd/-
Veena G Kamath
Company SecretarySd/-
C Ilango
Managing DirectorSd/-
K. N. Prithviraj
Chairman

Annexure 5

FORM AOC 2

Particulars of contracts/arrangements made with related parties

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

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

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, 2016, 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, 2016 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 3839	Sponsor Bank	22/08/08	12	TL at base rate	0.00	0.54
Term Loan 3319	Sponsor Bank	12/07/01	15	TL at base rate	0.00	0.43
Term Loan 5081	Sponsor Bank	15/06/05	10	TL at base rate	0.00	1.22
Term Loan 5082	Sponsor Bank	15/06/05	10	TL at base rate	0.00	1.22
Term Loan 5075	Sponsor Bank	14/02/06	10	TL at base rate	0.00	0.59
Term Loan 4999	Sponsor Bank	25/05/06	10	TL at base rate	0.00	0.11
Term Loan 5073	Sponsor Bank	12/10/06	10	TL at base rate	0.00	1.06
Term Loan 50	Sponsor Bank	05/01/09	10	TL at base rate	0.00	2.97
Term Loan 57	Sponsor Bank	25/08/09	10	TL at base rate	44.98	5.22
Term Loan 63	Sponsor Bank	24/03/10	10	TL at base rate	58.98	6.36
Term Loan 66	Sponsor Bank	26/11/10	10	TL at base rate	79.97	9.09
Term Loan 72	Sponsor Bank	17/06/11	10	TL at base rate	99.96	10.57
Term Loan 76	Sponsor Bank	01/10/11	10	TL at base rate	99.96	11.06
Term Loan 81	Sponsor Bank	15/03/12	10	TL at base rate	99.97	11.06
Term Loan 85	Sponsor Bank	24/07/12	10	TL at base rate	269.93	28.21
Term Loan 88	Sponsor Bank	13/06/13	10	TL at base rate	139.96	14.51
Term Loan 90	Sponsor Bank	25/07/13	10	TL at base rate	59.91	6.62
Term Loan 98	Sponsor Bank	26/11/13	10	TL at base rate	394.87	41.99
Term Loan 111	Sponsor Bank	30/09/14	10	TL at base rate	19.99	1.97
2) Working Capital from Canara Bank	Sponsor Bank	13/05/15	1	Over Draft facility	344.50	9.62
Total					1,712.98	164.43

*(other terms & conditions as per respective agreement)



Nature of Contract	Nature of relationship	Date of Sanction	Tenure (years)	Salient Terms	Outstanding Amount (₹ in crore)
1) Deposit with Canara Bank					
0684.302.216/30	Sponsor Bank	28/03/16	1	Fixed Deposit at 7.75%	0.40
0684.302.216/21	Sponsor Bank	28/06/15	1	Fixed Deposit at 8.00%	0.20
0684.302.216/23	Sponsor Bank	03/07/15	1	Fixed Deposit at 8.00%	0.50
0684.302.216/24	Sponsor Bank	03/07/15	1	Fixed Deposit at 8.00%	0.50
0684.302.216/25	Sponsor Bank	21/08/15	1	Fixed Deposit at 8.00%	0.50
02673.3302.000149/5	Sponsor Bank	28/01/16	1	Fixed Deposit at 7.75%	0.70
0684.302.216/26	Sponsor Bank	21/08/15	1	Fixed Deposit at 8.00%	0.50
0684.302.216/29	Sponsor Bank	25/02/16	1	Fixed Deposit at 7.75%	0.55
0684.302.216/31	Sponsor Bank	31/03/16	1	Fixed Deposit at 7.75%	0.75
0684.302.216/22	Sponsor Bank	30/06/15	1	Fixed Deposit at 7.90%	5.00
0684.302.216/27	Sponsor Bank	30/09/15	1	Fixed Deposit at 8.00%	0.70
0684.302.216/28	Sponsor Bank	30/09/15	1	Fixed Deposit at 8.00%	0.75
02673.3302.000149/3,4	Sponsor Bank	31/12/15	1	Fixed Deposit at 7.75%	1.00
0684.302.216/32	Sponsor Bank	31/03/16	1	Fixed Deposit at 7.75%	0.75
0684.302.216/33	Sponsor Bank	31/03/16	1	Fixed Deposit at 7.75%	0.75
0684.302.216/34	Sponsor Bank	31/03/16	1	Fixed Deposit at 7.75%	0.50
TOTAL					14.05
2) Total Interest earned on Canara Bank Deposit					0.76

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	0.41
Bank charges paid to Canara Bank	Sponsor Bank	On going	As per norms	0.42
Salary of Managing Director paid to Canara Bank	Sponsor Bank	Since April 29, 2011	As per norms	0.26
Sitting Fees of Directors paid to Canara Bank	Sponsor Bank	On going	As per norms	0.03
Other payments to Canara Bank	Sponsor Bank	One time		0.05
Rent received from Canara Bank	Sponsor Bank	On going	Flat at Pune given on Rent to Canara Bank	0.01
Guarantee in respect of Rights issue to BSE paid to Canara Bank	Sponsor Bank	One time	As per the Guarantee letter	1.39
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.	10.00

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 SEBI (LODR) regulations 2015 & Companies Act 2013. Advances paid have been adjusted against billings wherever applicable.

Place: Bengaluru
Date: April 28, 2016

Sd/-
Atanu Bagchi
Deputy General Manager & CFO

Sd/-
C Ilango
Managing Director

Sd/-
K.N. Prithviraj
Chairman



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' and 'Women Empowerment' as its thrust areas towards implementation of CSR activities.

The CSR Committee comprised of:

Mr.K.N.Prithviraj - Chairman

Mr.C.Ilango - Member

Mr.P.B.Santhanakrishnan - Member

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

Financial Year	₹ in Crore
a Net Profit before Tax for FY 14-15	137.45
b Net Profit before Tax for FY 13-14	106.88
c Net Profit before Tax for FY 12-13	75.10
d Total	319.43
e Average Net Profit (before Tax) for three years	106.48
f Budgeted CSR amount 2% of (e) above - FY 15-16	2.13
g Unspent amount of FY 14--15	1.59
h Total budget for CSR activities for FY 15-16 (f+g)	3.72

Details of budgeted CSR spent during the financial year:

a) Total amount to be spent for the financial year :₹3.72 Crore

b) Amount unspent - ₹2.63 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, 2016

Sd/-
C.Ilango
Managing Director

Sd/-
P.B.Santhanakrishnan
Member-CSR Committee

Sd/-
K.N.Prithviraj
Chairman-CSR Committee

Sl. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Amount spent on the projects or programs Sub-heads:(1) Direct expenditure on projects or programs (2)Overheads: (₹)	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency *
1	Panchayat Union Middle School at Pichampatti krishnarayapuram Union, Karur	Education	Karur, Tamilnadu	146,800.00	146,800.00	Nil	Direct
2	Govt. Secondary School for the Deaf (South), Dept. of Social Welfare, Govt. of NCT of Delhi, kalka Ji, New Delhi	Education	New Delhi	103,000.00	103,000.00	Nil	Direct
3	Govt. Boys Secondary School, Garhi Jharia Maria, New Delhi.	Education	New Delhi	103,000.00	103,000.00	Nil	Direct
4	Panchayath Union Middle school, Posampatti, Trichy,	Education	Trichy, Tamilnadu	74,750.00	74,750.00	Nil	Direct
5	Canara Bank Institute of Technology (A unit of Canara Bank Centenary Rural Development Trust)	Education	Bangalore, Karnataka	800,000.00	800,000.00	Nil	Direct
6	Panchayath Union Primary School, Kuppempelayam,	Education	Karur, Tamilnadu	80,110.00	80,110.00	Nil	Direct
7	Govt. Sarojini Naidu Girls H.S. School, Shivaji Nagar, Bhopal	Education	Bhopal, Madhya Pradesh	194,600.00	194,600.00	Nil	Direct
8	VMC Special Elementary School, Mogalrajapuram, Vijayawada	Education	Vijayawada, Andhra Pradesh	352,170.00	352,170.00	Nil	Direct
9	Chennai Girls Higher Secondary School, Saidapet, Chennai	Education	Tamparam, Tamilnadu	532,350.00	532,350.00	Nil	Direct
10	Jaigopal Garodia Government Girls Higher Secondary School, Choolaimedu, Chennai	Education	Tamparam, Tamilnadu	307,125.00	307,125.00	Nil	Direct
11	Government High School, Kattankulathur, Chennai	Education	Tamparam, Tamilnadu	163,800.00	163,800.00	Nil	Direct
12	Government Composite High School, Yermal Thenka, Udupi	Education	Udupi, Karnataka	132,446.00	132,446.00	Nil	Direct
13	Government Primary School, M.Manibambal, Kanakapura	Education	Kanakapura Road, Karnataka	57,190.00	57,190.00	Nil	Direct
14	Government Primary School, Vasudevapura, Bangalore	Education	Kanakapura Road, Karnataka	74,990.00	74,990.00	Nil	Direct
15	Anganwadi Kendra, Vasudevapura, Bangalore	Education	Kanakapura Road, Karnataka	66,090.00	66,090.00	Nil	Direct
16	Mandal Praja Parishat Primary School, Jangalapalli, Nellore	Education	Nellore, Andhra Pradesh	42,000.00	42,000.00	Nil	Direct
17	Panchayat Union Middle School, Taramangalam, Salem	Education	Salem, Tamilnadu	95,350.00	95,350.00	Nil	Direct
18	DKZP Higher Primary School, Bockapatna, Mangalore	Education	Mangalore, Karnataka	375,780.00	375,780.00	Nil	Direct
19	GPS Government Primary School, Surat Nagar, Gurgaon	Education	Gurgaon, Hariyana	46,000.00	46,000.00	Nil	Direct
20	Govt. Model Higher Secondary School, Saidapet, Chennai	Education	Chennai, Tamilnadu	680,000.00	680,000.00	Nil	Direct
21	Government Higher Primary School, Hosangadi, Udupi	Education	Udupi, Karnataka	68,380.00	68,380.00	Nil	Direct
22	Government Lower Primary School, Kondejedu, Udupi	Education	Udupi, Karnataka	56,830.00	56,830.00	Nil	Direct
23	Government Higher Primary School, Venugopal Nagar, Hulimavu, Bangalore	Education	Begur, Karnataka	267,467.00	267,467.00	Nil	Direct
24	Government Lower Primary School, Arekere, Bangalore	Education	Begur, Karnataka	276,465.00	276,465.00	Nil	Direct
25	Government Higher Primary School, Ramachandrapura, Shimoga	Education	Uttarahalli, Karnataka	19,800.00	19,800.00	Nil	Direct
26	Government Higher Primary School, Car Street, Mangalore	Education	Mangalore, Karnataka	890,000.00	890,000.00	Nil	Direct
27	DKZP Higher Primary School, Kadri, Mallikatte, Mangalore	Education	Mangalore, Karnataka	737,000.00	737,000.00	Nil	Direct
28	Anganawadi Kendra, Kadri, Mallikatte, Mangalore	Education	Mangalore, Karnataka	133,952.00	133,952.00	Nil	Direct
29	Government Junior Primary School, Kalena Agrahara, Bannerghatta Road, Bangalore	Education	Begur, Karnataka	58,805.00	58,805.00	Nil	Direct
30	Government Higher Primary School, Kadekar, Udupi	Education	Udupi, Karnataka	35,000.00	35,000.00	Nil	Direct
31	Government P U College, High School Section, Thekkatte, Udupi	Education	Udupi, Karnataka	100,500.00	100,500.00	Nil	Direct
32	Chennai Higher Secondary School, Tharamani, Chennai	Education	Perungudi, Tamilnadu	204,750.00	204,750.00	Nil	Direct
33	Government Junior Primary School, Byrappanahalli, Devanahalli	Education	Devanahalli, Karnataka	31,440.00	31,440.00	Nil	Direct
34	Government Higher Primary School, Gandhinagar, Chara, Hebri, Karkala	Education	Udupi, Karnataka	31,490.00	31,490.00	Nil	Direct



Sl. No.	CSR project or activity identified	Sector in which the project is covered	Project or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise (₹)	Amount spent on the projects or programs Sub-heads:(1) Direct expenditure on projects or programs (2)Overheads: (₹)	Cumulative expenditure upto to the reporting period.	Amount spent: Direct or through implementing agency *
35	Government Model Middle School, Saini School Road, Rohtak	Education	Rohtak, Hariyana	61,100.00	61,100.00	Nil	Direct
36	Panchayat Union Middle School, Sriperumbudur South	Education	Sriperumbudur, Tamilnadu	46,500.00	46,500.00	Nil	Direct
37	Panchayat Union Elementary School, Andan Koil East, Karur	Education	Karur, Tamilnadu	115,604.00	115,604.00	Nil	Direct
38	Kanya Uchchya Prathamik Vidhyalaya, Bhatipura, Machhra, Meerut	Education	Meerut, Uttar Pradesh	407,144.00	407,144.00	Nil	Direct
39	Government Model High School, Aliya, Hyderabad	Education	Hyderabad, Andhra Pradesh	115,283.00	115,283.00	Nil	Direct
40	Government Higher Primary School, Nanjaigarhalli, Gouribidanaur	Education	K R Puram, Karnataka	45,000.00	45,000.00	Nil	Direct
41	DKZPU Higher Primary School, Nelyadi, Puttur	Education	K R Puram, Karnataka	36,000.00	36,000.00	Nil	Direct
42	Shri Ramgovind Singh Government High School, Parsa, Patna	Education	Patna, Bihar	319,954.00	319,954.00	Nil	Direct
43	Government High School, Byatarayanapura, Mysore Road, Bangalore	Education	Vijayanagar, Karnataka	199,600.00	199,600.00	Nil	Direct
44	Mandal Parishad Primary School, Beeramguda, Patancheru Mandal, Medak	Education	R C Puram, Andhra Pradesh	242,500.00	242,500.00	Nil	Direct
45	Government Model Primary School, Kengeri, Bangalore	Education	Kengeri, Karnataka	52,000.00	52,000.00	Nil	Direct
46	Government Junior Primary School, Bhuvaneshwari Nagar, Kengeri, Bangalore	Education	Kengeri, Karnataka	29,770.00	29,770.00	Nil	Direct
47	Rajkiya Uchch Prathmik Sanskrit Vidhyalaya, Balita Road, Kota	Education	Kota, Rajasthan	27,900.00	27,900.00	Nil	Direct
48	Rajkiya Uchch Madhyamik Vidhyalaya, Badgaon, Kota	Education	Kota, Rajasthan	27,900.00	27,900.00	Nil	Direct
49	Government Primary School, Allur, Kothapatnam Mandal, Prakasam District	Education	Ongole, Andhra Pradesh	30,600.00	30,600.00	Nil	Direct
50	Government ADW High School, Kondampettai, Trichy	Education	Trichy, Tamilnadu	46,400.00	46,400.00	Nil	Direct
51	Government Model Higher Primary School, Hejamadi, Udipi	Education	Udipi, Karnataka	19,490.00	19,490.00	Nil	Direct
52	Government Model Higher Primary School, Highschool Layout, Tumkur	Education	Tumkur, Karnataka	220,060.00	220,060.00	Nil	Direct
53	Government Higher Primary School, Ramanagar, Sagar, Shimoga	Education	Koramangala, Karnataka	127,595.00	127,595.00	Nil	Direct
54	Zilla Praja Parishad Secondary School, Velair, Warangal	Education	Warangal, Telangana	126,000.00	126,000.00	Nil	Direct
55	Government High School, Kallamgala Kepu, Neerkaje Post, Bantwal Taluk, DK	Education	Mangalore, Karnataka	38,300.00	38,300.00	Nil	Direct
56	Shree Sadguru Saibaba Government Aided Kannada Higher Primary School, Rupena Agrahara, Madivala Post, Bangalore	Education	Sarjapura Road, Karnataka	299,647.00	299,647.00	Nil	Direct
57	OSEB Colony UGUP School, Bhubaneswar	Education	Bhubaneswar, Orisa	300,960.00	300,960.00	Nil	Direct
58	VMC Special Elementary School, Mogalrajapuram, Vijayawada	Education	Vijayawada, Andhra Pradesh	84,500.00	84,500.00	Nil	Direct
59	Mandal Parishad Primary School, Manikonda, Hyderabad	Education	Gachibowli, Telangana	39,790.00	39,790.00	Nil	Direct
60	Government Higher Primary School, Abbanakuppe, Bidadi	Education	Bidadi, Karnataka	62,885.00	62,885.00	Nil	Direct
61	Government Higher Primary School, Sangabasavana Doddi, Bidadi	Education	Bidadi, Karnataka	59,201.00	59,201.00	Nil	Direct
62	Government Higher School, Kheranwali, Panchkula	Education	Chandigarh, Punjab & Hariyana	46,500.00	46,500.00	Nil	Direct
63	UP Govt. Junior School, Begaria mau, Gossainganj, Lucknow	Education	Lucknow, Uttarpradesh	15,550.00	15,550.00	Nil	Direct
64	UP Govt. Junior School, Kursi, Nindura, Barabanki, Lucknow	Education	Lucknow, Uttarpradesh	15,550.00	15,550.00	Nil	Direct
65	Govt. Higher Primary School, Dakarada, Sarada, Udaipur	Education	Udaipur, Rajasthan	100,850.00	100,850.00	Nil	Direct
66	Govt. Higher Primary School, Badagauv (Sarada), Udaipur	Education	Udaipur, Rajasthan	100,850.00	100,850.00	Nil	Direct
67	Mandal Parishad Primary School, Modukuru, Tsundur Mandal, Guntur	Education	Guntur, Andhra Pradesh	71,250.00	71,250.00	Nil	Direct
				10,871,663.00	10,871,663.00		

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.

1. Corporate Governance at CFHL

The Company appreciates, understands, respects, accepts and follows the concept of good corporate governance including transparency, accountability, integrity, ethics and control. 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 clause 49 of the listing agreements and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as applicable and looks at corporate governance as a part of its business.

The Company has been adhering to the policy over the years and has a strong commitment to the principles that underlie 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 28 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, etc., and provide timely and adequate information to shareholders, equitable treatment, etc. Your Company respects the rights of its stakeholders and encourages co-operation. Your Company ensures timely and accurate disclosure of all material matters including financial situation, performance, governance etc.

The directors are pleased to present below a report on the Corporate Governance practices followed in CFHL.

2. Board of Directors

As per the Board Diversity Policy of the Company, the Company shall aim to enhance the effectiveness of the Board by diversifying its composition and to obtain the benefit out of such diversity in better and improved decision making. In order to ensure that the Company's boardroom has appropriate balance of skills, experience and diversity of perspectives that are imperative for the execution of its business strategy, the Company shall consider a number of factors, including but not limited to skills, educational qualification, industry experience, expertise, background, gender, ethnicity and physical disability. In order to ensure a balanced composition of executive, non-executive and independent directors on the Board, the Company shall consider candidates from a wide variety of backgrounds, without discrimination and based on the above factors. 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/aboutus/corporate_governance_documents) (path).

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 and persons of eminence with vast experience in the fields of banking, housing finance, audit, management, law and other relevant areas.

The Board effectively carries out its responsibilities like providing strategic guidance to the Company, code of conduct for the executives, disclosure of information like 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 key functions like reviewing and guiding 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.

**(a) Composition**

Sl. No.	Name of the Director	Age	DIN	Promoter, Executive, Non-executive, independent Non-executive, nominee etc.	No. of shares held by the Directors as at 31/03/2016
1	Shri K.N. Prithviraj, Chairman	69	00115317	Independent Non-Executive	-
2	Shri C. Ilango, Managing Director upto May 18, 2016	59	03498879	Promoter & Executive	-
3	Shri P.B.Santhanakrishnan, FCA	63	03213653	Independent Non-Executive	520
4	Shri T.V. Rao	63	05273533	Independent Non-Executive	-
5	Smt.P.V. Bharathi	56	06519925	Promoter, Non-Executive	-
6	Shri S.A. Kadur	57	06426985	Promoter, Non-Executive	-
7	Shri Sarada Kumar Hota, Whole-time Director, upto May 18, 2016 and Managing Director w.e.f. May 19, 2016	49	07491088	Promoter & Executive	-

The Board consists of seven members. The Chairman of the Board is an Independent non-executive Chairman. Shri C. Ilango, Managing Director (Promoter and executive Director) resigned w.e.f. May 18, 2016(after office hours) and Shri Sarada Kumar Hota who was an additional & Whole-time Director upto May 18, 2016, has been appointed as the Managing Director of the Company w.e.f. May 19, 2016. Two Directors viz. Shri S.A. Kadur and Smt. P V Bharathi are Promoter non-executive Directors and Shri P.B. Santhanakrishnan and Shri T. V. Rao are Independent non-executive Directors on the Board.

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 to get sitting fees for attending the meetings of the Board and Committees, well within the limits prescribed under the Companies Act, 2013. The quantum of fee has been approved by the Board of Directors.

None of the Board of Directors are related inter-se. However, Shri C. Ilango, Shri S.A. Kadur, Smt.P V Bharati are General Managers in Canara Bank, the promoter of the Company and Shri Sarada Kumar Hota is a Dy.General Manager in Canara Bank.

(b) Attendance of each Director etc.

The Board of Directors of your Company met 6 times during the year FY 15-16 and the meeting were held within the prescribed periodicity. The details of the Board of Directors in terms of their attendance, number of meetings attended/held during the financial year ended March 31, 2016, sitting fee paid, their attendance at the AGM are as under:

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 08/07/2015
Shri K.N. Prithviraj, Chairman	6/6	120000	Attended
Shri C. Ilango, Managing Director	6/6	NA	Attended
Shri P.B. Santhanakrishnan	6/6	120000	Attended
Shri S.A. Kadur	5/6	100000*	Attended
Shri T.V. Rao	6/6	120000	Attended
Smt. P V Bharathi	5/6	100000*	Attended

*Sitting fee paid to Canara Bank

(c) Number of Directorship and Memberships in Committees etc as on March 31, 2016.

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 all and 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 #				Memberships in Committees (including CFHL)	Membership of AC & SRC in public limited companies (including CFHL)	Chairman of AC & SRC Committees in public companies
		Public Limited/ subsidiaries	Others	Listed	Unlisted			
Shri K.N. Prithviraj, Chairman -Independent	8	6	2	4	4	12	6	1
Shri C. Ilango, Managing Director	1	1	-	1	-	3	1	-
Shri P.B. Santhanakrishnan - Independent	2	2	-	-	-	4	2	1
Shri S.A. Kadur	1	1	-	1	-	2	1	-
Shri T.V. Rao - Independent	8	7	1	4	4	13	5	1
Smt. P V Bharathi	4	3	1	1	3	2	-	-

#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.

(d) Number of meetings of Board of Directors

The meetings of the Board are normally held at the Registered Office of the Company in Bengaluru. The meetings are scheduled well in advance and the dates of subsequent meeting(s) are decided at the on-going meeting(s) of the Board. A notice in advance for each of such meetings is given in writing to the Directors as required under Secretarial Standards.

The Board meets at least once 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 address the specific exigencies of the Company.

The Company Secretary, in consultation with the Chairman and the Managing Director, prepares a detailed agenda for the meetings. The members of the Board are also free to recommend inclusion of any matter in the agenda for discussion.

The Board is provided with the relevant information in terms of regulation 17(7) read with Schedule II attached to the SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 and has access to all information 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 minutes of each Board meeting is recorded in the Minutes Book and tabled at the next meeting of the Board for confirmation. The decisions taken on each of the agenda at the Board meetings are promptly communicated to the concerned departments. The Action Taken Report (ATR) on the decisions/minutes of the previous meeting is placed at the succeeding meeting of the Board for a review/noting. A similar procedure is followed for each meeting of the Board committees.

The Board of Directors of your Company met 6 times during the year FY 15-16 - May 04, 2015, June 02, 2015, July 21, 2015, October 20, 2015, January 22, 2016 and February 05, 2016. The Board met on April 28, 2016 to approve the annual audited financial results of the Company for the year ended March 31, 2016.

The maximum interval between any two meetings did not exceed 120 days, as prescribed under Companies Act 2013 and Regulation. 17 of SEBI (LODR) Regulations, 2015.

(e) 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 benefit 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.

None of the Independent Directors are promoters of the Company or its holding, subsidiary or associate company nor are they related to each other. None of the Independent Directors are related to promoters of the Company or others referred to above. The Independent Directors, apart from receiving the sitting fee, had no material pecuniary relationship with the Company/ associates/ promoters/directors during the two immediately preceding financial years/the current financial year. They are independent of management and free from any business or pecuniary relationship or transaction with the Company or associates or Directors or such other relationships which could materially interfere with the exercise of their independent judgement.

Declaration by the Independent Directors:

The Independent Directors have given a declaration to the Company confirming adherence to the code of conduct/criteria of independence, directorships etc. as required under the Regulation 25 & 26 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and also the provision u/s 149(6) of Companies Act, 2013 (the Act) and related rules and Schedule IV of the said Act.

The Company has issued formal letters of appointment to the Independent Directors and the terms and conditions of appointment have been disclosed on the website of the Company. 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 Director, etc. are rated by all the Directors (excluding the Director being evaluated).

Review of Performance:

The Independent Directors at their meeting held during the year have reviewed the performance of the Board as a whole, the Committees, the Managing Director, the non-independent directors and the Chairperson.

The Independent Directors also discussed about the support extended by the Management team on matters like adequacy of information at the time of induction and on on-going basis, effective use of outside advisers, sufficient contact with Board Secretariat/management team and receipt of information, timely information in advance of the meetings, coverage of information presented to the Board like risks, market trends, dynamics in which the Company operates etc., increase in the number of meetings of the Board and Committees on need basis, which has helped the Board and the Board Committees to function effectively.

(f) Appointment / Re-appointment / resignations etc. of Directors

(i) Re-appointment of Shri C. Ilango as Managing Director:

The Board of directors on the recommendations of the Nomination and Remuneration Committee, at their meeting held on April 28, 2016 had re-appointed Shri C. Ilango, Managing Director for a further period with effect from April 28, 2016 upto 29th Annual General Meeting of the Company or until further information as proposed by Canara Bank, subject to the approval of the members at the 29th Annual General Meeting and subject to approval from the competent authority(ies).

However, consequent to repatriation of Shri C. Ilango, Managing Director, to the parent Bank, Shri C. Ilango submitted his resignation as a Director and Managing Director on May 18, 2016 (after office hours) and the same was noted by the Board at its meeting held on May 18, 2016.

The subject relating to re-appointment of Shri C. Ilango, Managing Director, along with the required explanatory statement and the resolution are included in the notice convening the ensuing Annual General Meeting for ratification of appointment by the members from April 28, 2016 to May 18, 2016 and of all the acts, deeds and things done by Shri C. Ilango during his tenure as the Managing Director.

(ii) Appointment of Shri Sarada Kumar Hota as a Director and the Whole-time Director w.e.f. April 28, 2016 and MD w.e.f. May 19, 2016

The Board of Directors at their meeting held on April 28, 2016 appointed Shri Sarada Kumar Hota (S K Hota), Deputy General Manager, Canara Bank, as an Additional Director and Whole-time Director on the Board of the Company w.e.f. April 28, 2016 in terms of Section 149(1) and all other applicable provisions of Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. The above appointment was as per the recommendation of the Nomination and Remuneration Committee of Directors of the Company.

Shri Sarada Kumar Hota (S K Hota), a Post-Graduate Degree holder in Agricultural Science, is a senior banker with over 25 years of commercial banking experience having served across the country.

Prior to his posting to the Company he was the Deputy General Manager and 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 in Bengaluru. Shri S K Hota does not hold Directorships in any other Companies.

Consequent to the resignation of Shri C. Ilango, Managing Director on his repatriation to Canara Bank w.e.f. May 18, 2016 (after office hours), on the recommendation of the Nomination and Remuneration Committee, the Board of Directors at their meeting held on May 18, 2016, appointed Shri Sarada Kumar Hota, Whole-time Director as the Managing Director of the Company w.e.f. May 19, 2016.

Shri S K Hota has filed his consent with the Company pursuant to Section 152 and all other applicable provisions, if any, of the Companies Act, 2013, for being appointed as a Director and a Whole-time Director/Managing Director and a declaration that he is not disqualified to become a director under the Act.

Shri S K Hota has intimated the Company that he is not holding any shares or taken any loan(s) from the Company.

Your Company has received a notice in writing from a shareholder under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013, proposing the appointment of Shri S K Hota as a Director and Managing Director of the Company.

Further particulars relating to Shri S K Hota are provided in the explanatory statement on the related agenda, forming part of the notice of the ensuing Annual General Meeting.

Pursuant to the provisions of Section 161 and all other applicable provisions, if any, of Companies Act, 2013 and Article 22 of the Articles of Association of the Company, Shri S K Hota, Additional Director, holds office as such only upto the date of the ensuing Annual General Meeting.

The subject of the appointment of Shri S K Hota along with the required explanatory statement and the resolutions are included in the notice convening the ensuing Annual General Meeting. The appointment of the above Director is in the best interests of the Company.

(iii) Appointment of Smt. Bharati Rao as an additional Director and an Independent Director

The Board of Directors at their meeting held on April 28, 2016 had appointed Smt. Bharati Rao, former Deputy Managing Director of State Bank of India, on the Board of the Company with effect from April 28, 2016 as an additional director and as an Independent Director pursuant to Section 161 and 149(1) and all other applicable provisions of Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015. However, Smt. Bharati Rao resigned from the Board of the Company as an additional Director (Independent) w.e.f. May 18, 2016 due to personal reasons and the same was noted by the Board at its meeting held on May 18, 2016.

(iv) Re-appointment of the director(s) liable to retire by rotation

In terms of the provisions of Section 152(6) of the Act, not less than 2/3rd of the Non-Executive Directors of the Company shall be persons whose period of office is liable to retire by rotation and

1/3rd of such Directors shall retire from office at every Annual General Meeting and, if eligible, may seek re-appointment at the Annual General Meeting. In terms of Section 152(6) of the Companies Act, 2013, read with explanation to the said subsection the Independent Directors appointed as such under the Companies Act, 2013, shall not be included for 'total number of directors' w.e.f. April 01, 2014.

Pursuant to the applicable 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 B.E. (Mechanical Engineering), started his career as a Technical Field Officer in Canara Bank in February 1984. During his service in the bank over a period of 32 years, he has served in different branches of the Bank, including Prime Corporate Branch at Pune and Chennai, Mumbai City Circle Office, Corporate Merchant Banking Division, Mumbai and Risk Management Wing at the Head Office. He is presently working as the General Manager, Corporate Credit Wing, Head Office, Bengaluru.

Shri S.A. Kadur does not hold Directorships in any other Companies and has intimated the Company that he is not holding any shares or taken any loan(s) from the Company.

Your Directors recommend the re-appointment of Shri S.A. Kadur, as a Director of the Company. The related resolution on the subject is included in the notice convening the ensuing Annual General Meeting and related particulars as required under SEBI Regulations are provided in the explanatory statement.

(g) Responsibilities

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 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 provides the management with guidance and strategic direction on behalf of the shareholders, in optimising long-term value. The Board discharges the duties and responsibilities as required under the various statutes as are applicable to the Company viz., the Companies Act, 1956/2013, Directions/Guidelines/Regulations issued by the Securities Exchange Board of India (SEBI), National Housing Bank (NHB) and various Statutory and Regulatory Authorities, Listing Agreements, including reporting and disclosures to be made to the shareholders.



The Board has empowered responsible persons 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 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. and the said policy is placed on the website of the Company at <http://www.canfinhomes.com>. A Familiarisation Programme was held on October 20, 2015 on the subjects 'Housing Finance Industry vis-à-vis scope for Can Fin Homes, Business model, etc.' by Shri K.N.Prithviraj, Chairman & Shri C. Ilango, Managing Director and 'An insight into profit parameters & Asset quality in Housing Finance Institutions vis-à-vis CFHL' - a presentation given by executives of the Company. Both these Programmes were attended by all the Directors of the Company.

In the Familiarisation Programme held on January 22, 2016 on the subject 'General information on ESOP and such other performance linked employee benefit schemes' conducted by Shri Cherian, CEO, Key Note - ESOP, was attended by all the Directors of the Company. In another Programme held on March 18, 2016 on the 'Roles and Responsibilities of directors under SEBI(LODR), requirements and importance of Board Evaluation process, meeting of Independent Directors and other related matters, under Companies Act 2013' conducted by M/s. J Sundharesan & Associates, was also attended by all the Directors of the Company. The details of the familiarisation programmes conducted during the FY 15-16 is also made available on the website of the Company.

(h) Code of Conduct

The Company has framed and adopted a Code of Conduct for its Directors and senior management, duly approved by the Board. For the year under review, all the Directors and senior management have affirmed compliance with the provisions of the said Code. A declaration from the Managing Director/CEO of the Company in terms of Regulation 34(3) read with Schedule V of SEBI (Listing

Obligations and Disclosure requirements) Regulation, 2015 is placed as an annexure to the Report of Directors. The above annual affirmations were placed before the Board for information.

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 abide by the said Code. The Code of Conduct of Board of Directors, Independent Directors and Senior Managers are uploaded in the Company's official website.

(i) Committees of the Board

The Board has constituted six Committees as of date viz. Audit Committee, Nomination and Remuneration 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 in the next meeting of the respective Committee for confirmation and placed before the subsequent meeting of the Board for noting/information.

3. Audit Committee (AC)

The qualified and independent audit committee of the Board has been exercising its powers and responsibilities judiciously. The Committee has three experienced and learned members and two members including the Chairman of the Committee are Independent Directors.

(a) Brief description of terms of reference

The terms of reference of the committee inter-alia include the oversight of the Company's financial reporting process and the disclosure of the financial information to ensure that the financial statements are correct, sufficient and credible, recommendation for appointment, remuneration and terms of appointment/re-appointment/removal of statutory/external/internal auditors of the Company and the payments to the auditors for their services, review with the management, the quarterly and the annual financial statements and limited review/auditor reports thereon, including report on adequacy of Internal Financial Control. In particular the matters required to be included in the Director's Responsibility Statement, changes in the accounting policies, if any, and reasons for the same, major accounting entries/significant adjustments, if any, compliances with statutory/

regulatory/listing agreement requirements, review & disclosure of related party transactions etc. review of management discussion & analysis report and submission of the annual financial statements with recommendations for approval by the Board.

The Audit Committee also reviews with the management, the statement of uses/application of funds raised (Rights Issue) to ensure that the funds are utilised for the purpose stated in the Letter of Offer. The committee also monitors the auditor's independence and performance and effectiveness of audit process, approval of related party transactions and subsequent modifications, if any, scrutiny of inter-corporate loans and investments, valuations, if any, evaluation of internal financial controls and risk management policies and systems, position of asset-liability management, monitoring the end use of funds raised and other such related matters to be included in the Directors' Responsibility Statement, etc.

The Committee also reviews the adequacy of the internal control systems, internal audit function, structure of the internal audit department, seniority of the official heading the department, staffing, reporting structure and process, audit coverage and

frequency of internal audits and on matters including KYC, internal controls, internal investigations, if any, by internal auditors on any specific matters relating to suspected fraud or irregularity or failure of internal control systems of material nature and report the same to the Board.

The Committee also holds pre and post-audit discussion with the statutory auditors about the nature and scope of audit and audit observations/areas of concern/reasons for defaults, if any. In addition, the committee annually reviews the performance of the internal and statutory auditors, their appointment/removal/terms of remuneration, the functioning of the Whistle Blower mechanism, management discussions and analysis of financial conditions and results of operations, statement of the significant related party transactions as submitted by management, reports on internal control weaknesses, if any.

It is the prerogative of the Committee to invite executives and auditors of the Company to be present at the meetings to provide additional inputs/clarifications on the subject being discussed by the Committee.

(b) Composition of the Audit Committee and other details:

During the year the Audit Committee met 6 times - on May 04, 2015, June 01, 2015, July 21, 2015, October 20, 2015, January 21, 2016 and January 22, 2016. The maximum interval between any two meetings did not exceed 120 days as prescribed under Companies Act, 2013 and Regulation 18 of SEBI (LODR) Regulation, 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:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Shri P.B. Santhanakrishnan, FCA, Chairman, Independent Director, Non-executive	6	6/6	60,000
Shri S.A. Kadur, Member, Promoter, Non-executive	6	5/6	50,000*
Shri T.V. Rao, Member Independent, Non-executive	6	6/6	60,000

*Sitting fee paid to Canara Bank



The Chairman of the committee was present at the 28th Annual General Meeting of the Company to answer shareholder queries.

The Company Secretary is the Secretary to the Audit Committee.

4. Nomination and Remuneration Committee (NRC)

(a) Brief description of terms of reference:

The Nomination and Remuneration Committee constituted by the Board comprise three Non-Executive directors and two of the members, including the Chairman, are Independent Directors. The Board has authorised the Committee with clear roles and responsibilities in terms of the provisions of the Act and rules made thereunder and also with those set out in the listing agreement SEBI (LODR) Regulations 2015. 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, senior management, recommending to the Board their appointment/removal, and also the remuneration policy. The Nomination and Remuneration Policy of the Company is available on the website of the Company (<http://www.canfinhomes.com/aboutus/disclosure>)

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.
- 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 Nomination and Remuneration committee.

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, by any name like cash incentive, employee stock option scheme, ex-gratia, etc. which are variable in nature, subject to statutory guidelines and staff Regulations/ HR policies approved by the Board.

(b) Composition of the Nomination and Remuneration Committee and other details:

During the year, the Nomination and Remuneration Committee met 2 times on June 01, 2015 and October 13, 2015. The particulars of the members of the Committee, number of meetings attended by them/held during their tenure of membership and the sitting fee paid are mentioned hereunder:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Shri T.V.Rao, Chairman, Independent, Non-executive	2	2/2	20,000
Smt P.V. Bharathi, Promoter, Non- executive	2	2/2	20,000*
Shri P.B. Santhanakrishnan, FCA Independent, Non-executive	2	2/2	20,000

*Sitting fee paid to Canara Bank

(c) Performance evaluation criteria for independent directors:

The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation the Directors who are subject to evaluation had not participated.

The Company Secretary is the Secretary to the Nomination and Remuneration Committee.

5. Remuneration of Directors

For the financial year ended March 31, 2016, except for the Managing Director there were no other executive directors on the Board of the Company. The remuneration paid to the Managing Director was as approved by the members at the Annual General Meeting of the Company held in 2011 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, bonuses, stock options, pension etc.:

For remuneration particulars of the Managing Director please refer page 66 of Extract of Annual Report in Form MGT - 9 attached to the Report of Directors.

(ii) Details of fixed component and performance linked incentives, alongwith the performance criteria:

For remuneration particulars of the Managing Director please refer page 66 of Extract of Annual Report in Form MGT - 9 attached to the Report of Directors

(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.

6. Stakeholders' Relationship Committee (SRC)**(a) 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 listing agreements, SEBI (LODR) Regulation, 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 shareholders, compliance with the applicable provisions of the Companies Act, 2013 and various other statutes.

(b) Composition of the Stakeholders' Relationship Committee and other details:

During the year, the Stakeholders' Relationship Committee met 4 times, viz. May 04, 2015, July 21, 2015, October 13, 2015 and January 21, 2016. 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:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Shri T.V. Rao, Independent, Non-executive, Chairman	4	4/4	40,000
Shri C. Ilango, Managing Director	4	4/4	NIL
Shri P.B. Santhanakrishnan, Independent, Non-executive	4	4/4	40,000



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 was one complaint pending as at the beginning of the financial year and during the year 3 complaints were received and all the complaints stand resolved as at the end of the financial year ended March 31, 2016 (SEBI SCORES).

7. Corporate Social Responsibility Committee

During the year, the Corporate Social Responsibility (CSR) Committee met 2 times on October 13, 2015 and January 21, 2016.

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:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Shri K.N. Prithviraj, Independent, Non-executive Chairman	2	2/2	20,000
Shri C. Ilango, Managing Director	2	2/2	NIL
Shri P.B. Santhanakrishnan, FCA, Independent, Non-executive	2	2/2	20,000

The Company Secretary is the Secretary to the Committee.

The Company has been extending support for social causes like providing infrastructure to government middle/higher primary schools, etc.

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.

8. Risk Management Committee (RMC)

The Risk Management Committee comprise three members - two 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. The Committee also reviews the risk profile of the Company on a quarterly basis and appraises the Board of Directors about the key risks associated with the business of the Company, its risk profile, overall risk rating and steps taken to mitigate the same.

Further, the Audit Committee and the Board of Directors review the key risks associated with the business of the Company, the procedures in place to assess the risks and the mitigation mechanisms.

During the year the Risk Management Committee met 3 times - on May 27, 2015, October 13, 2015 and December 23, 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:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Smt. P.V. Bharathi, Chairperson Non-executive, Promoter	3	3/3	30,000*
Shri T.V. Rao, Independent, Non-executive	3	3/3	30,000
Smt Shamila M, Dy. General Manager of the Company	3	3/3	Nil

*Sitting fee paid to Canara Bank

The Company Secretary is the Secretary to the Committee.

9. 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 September 02, 2015. 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:

Members	Number of Meetings held	Number of meetings attended/held during the tenure of the member	Sitting Fees Paid (₹)
Shri C. Ilango, Managing Director and Chairman	1	1/1	Nil
Shri S.A. Kadur, Non-executive, Promoter	1	1/1	10,000*
Shri.T.V.Rao, Independent, Non-executive	1	1/1	10,000

*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.



10. 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 clause 49 of the listing agreement/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 clauses/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, lease out the 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, pay bank charges to the bank, etc. Further the Company has also been availing the services of Canbank Computer Services Ltd., a subsidiary of the Sponsor Bank, as the Registrar or Share Transfer Agents of the Company (RTA), in the ordinary course of business.

The overall related party transactions of the Company with Canara Bank and/or its subsidiaries outstanding as on March 31, 2015 was around ₹2,463 Crore. Hence, as required under section 188 of the Companies Act, 2013 and the then revised clause 49 of the listing agreement, the Company had obtained prior approval/ratification of the shareholders for the said 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, 2016 the overall related party transactions of the Company outstanding with Canara Bank and/or its subsidiaries was ₹1,905 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.

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) 2015, are disclosed by the Company in the Notes forming part of the financial statements (Note No.30 at page No.129 of the Annual Report) and the particulars of such contracts/ arrangements are provided as an annexure to this Report of Directors.

The Company's Related Party Transactions Policy is on the website of the Company placed at [https://www.canfinhomes.com/about-us/corporate-governance-documents\(path\)](https://www.canfinhomes.com/about-us/corporate-governance-documents(path)).

- (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 FY 15-16, 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 the year 2014-15, the National Stock Exchange of India Ltd. had imposed a fine of ₹4,000/- for a delay of four days in submission of the Annual Report 2014-15.

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 that regard has been sent to all the employees of the Company and reiterated during the Branch Managers' Conference, training programmes and by 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 <https://www.canfinhomes.com/aboutus/corporategovernance> documents(path).

- (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 FY 15-16 or as on March 31, 2016 are in compliance with the requirements of Corporate Governance under Clause 49 of the Listing Agreement(s) with BSE Limited and National Stock Exchange of India or SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable.

- (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 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;
- (iii) Modified opinion(s) in audit report: The Company already has a regime of un-qualified financial statements. Auditors have raised no qualification on the financial statements;
- (iv) Separate posts of Chairperson and CEO:
Shri K.N.Prithviraj is the Non- Executive Chairperson of the Company; and Shri C.Illango 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, there are no 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 of the Company at <https://www.canfinhomes.com/aboutus/corporategovernance> documents(path).

11. 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 Canfin Homes Ltd". The updated Code incorporate the duties of Independent Directors. The Codes are available on the website of the Company at <https://www.canfinhomes.com/aboutus/corporategovernance> documents(path).

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 FY 15-16. The said declaration has been made as an annexure to the Report of Directors forming part of this Annual Report.

12. CEO and CFO Certification

In terms of Regulation 17(8) of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015, a certificate from the CEO or the Managing Director and the 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, was taken on record at the Board meeting held on April 28, 2016 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.

13. 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 1957 numbers of shares pertaining to 26 numbers of shareholders outstanding/lying in the suspense account at the beginning of the year;
- (b) Out of 26 shareholders, 17 number of shareholders approached the Company during the year claiming transfer of 1406 shares to their respective accounts;
- (c) 1406 shares pertaining to 17 number of shareholders were transferred to their respective accounts as per their claim, during the year;
- (d) 551 shares pertaining to 9 number of shareholders remain outstanding/lying in the suspense account at the end of the year;
- (e) That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares.



14. Compliance with Accounting Standards

The Company has complied with the applicable Accounting Standards notified by the Companies (Accounting Standards) Rules, 2006. The financial statements for the year have been prepared in accordance with and in compliance of the revised Schedule VI notified by the Ministry of Corporate Affairs (MCA).

15. 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.

16. Shareholding of Non-Executive Directors

Shri P.B. Santhanakrishnan, FCA, an Independent Director of the Company holds 520 equity shares of the Company. No other Non-Executive Director of the Company holds any equity shares of the Company.

17. 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.

18. Subsidiaries

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

19. Report on Corporate Governance

The Company has complied with the mandatory requirements as stipulated under Regulation 27 of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. The quarterly compliance status reports on corporate governance are submitted by the Company to the stock exchanges within the prescribed time limit, duly signed either by the Chief Executive Officer or the Compliance Officer of the Company. The Corporate Governance reports are uploaded in the Company's website for the information of all stakeholders.

20. Compliance

Compliance with mandatory requirements

M/s Kedarnath Associates, Practicing Company Secretaries, have certified that the Company has complied with the mandatory requirements as stipulated under Regulation 17 to 27 and clauses (b) to (i) of schedule V of SEBI (Listing Obligations and Disclosure requirements) Regulation, 2015. The said certificate 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: May 18, 2016

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'.

1. 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.

2. Annual General Meetings (AGMs)

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

Year	Time	Day	Date	Venue
2013	11.00 A.M	Wednesday	August 07, 2013	J.S.S. Mahavidya Peetha, "Shivarathreshwara Centre" Auditorium, I Main, 8th Block, Jayanagar, Bengaluru - 560 082
2014	11.00 A.M	Wednesday	July 30, 2014	Same as above
2015	11.00 A.M	Wednesday	July 08, 2015	Same as Above

3. Special Resolutions passed at the previous 3 Annual General Meetings:

2013	Appointment of statutory auditors and authorisation to the Board of Directors of the Company for appointment of branch auditors as per section 224(A), 226 and 228 and all other applicable provisions of the Companies Act, 1956.
2014	<ol style="list-style-type: none"> Consent of the Board of Directors of the Company to borrow money(ies) as they deem requisite for the purpose of business of the Company, provided that the total amount upto which money(ies) borrowed by the Board of Directors shall not exceed ₹12,000 Crore at any one time. Authorisation to the Board of Directors to mortgage, create charge on all or any of the assets of the Company and further issue of covenants etc. Approval for Offer or invitation/issue for subscription for Non-Convertible Debentures (NCDs) aggregating to ₹2,500 Crore on private placement. Authorisation for offer or invitation for subscription for Tier-II Subordinated Bonds aggregating to ₹300 Crore on private placement.
2015	<ol style="list-style-type: none"> 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" <p>PS: During the last three years there were no items falling under special resolution through Postal Ballot.</p>



4. 29th Annual General Meeting (AGM)

Date: July 20, 2016 - Wednesday

Time: 11 A.M.

Venue: J.S.S. Mahavidya Peetha, "Shivarathreshwara Centre" Auditorium, I Main, 8th Block, Jayanagar, Bengaluru 560 082.

Bus Route Nos.12 and 12E pass through Jayanagar 8th Block and Route Nos. 12A, 12B and 12D pass through Deepak Nursing Home close to the venue of the AGM. (Route MAP is made available in the Notice of the AGM).

Financial year is from April 01, 2016 to March 31, 2017

Calendar 2016-17: The probable schedule for holding meetings of the Audit Committee/Board of Directors is as under:

Nature of meeting	Purpose	Probable date
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending June 30, 2016.	During Second/Third week of July, 2016
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending September 30, 2016.	During Second/Third week of October, 2016
Audit Committee/ Board Meeting	To review, approve and take on record the financial results for the quarter ending December 31, 2016.	During Second/Third week of January, 2017
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, 2017.	During Second/Third week of April, 2017

5. Date of book closure:

Friday the July 08, 2016 to Wednesday the July 20, 2016. (Both days inclusive)

6. Dividend payment:

During the third week of July 2016.

The Board of Directors of the Company have recommended a dividend at ₹10/- per equity share of ₹10 each (100%), for the financial year ended March 31, 2016, subject to approval of the shareholders at the ensuing annual general meeting.

7. 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 July 07, 2016.
- (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 July 07, 2016

8. Listing of Equity Shares

BSE Limited 1st floor, Rotunda Building, B.S. Marg, Fort, Mumbai - 400 021.	National Stock Exchange of India Ltd. "Exchange Plaza", Bandra-Kurla complex, Bandra(E), Mumbai - 400051.
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*SEBI vide its order dated December 26, 2014 bearing No. WTM/RKA/ MRD/165/2014 granted an exit to the Bengaluru Stock Exchange Ltd.(BgSE) and hence since December 26, 2014 the equity shares are not listed in BgSE.

9. Listing fee

The listing fees for the year FY 15-16 and FY 16-17 have been paid to the above Stock Exchanges where the securities of the Company are listed. The Annual Custodian Fees for FY 15-16 and FY 16-17 to NSDL and CDSL have also been paid within the due dates.

10. Stock code

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

By Name: CANFINHOME

By Scrip Code: 511196

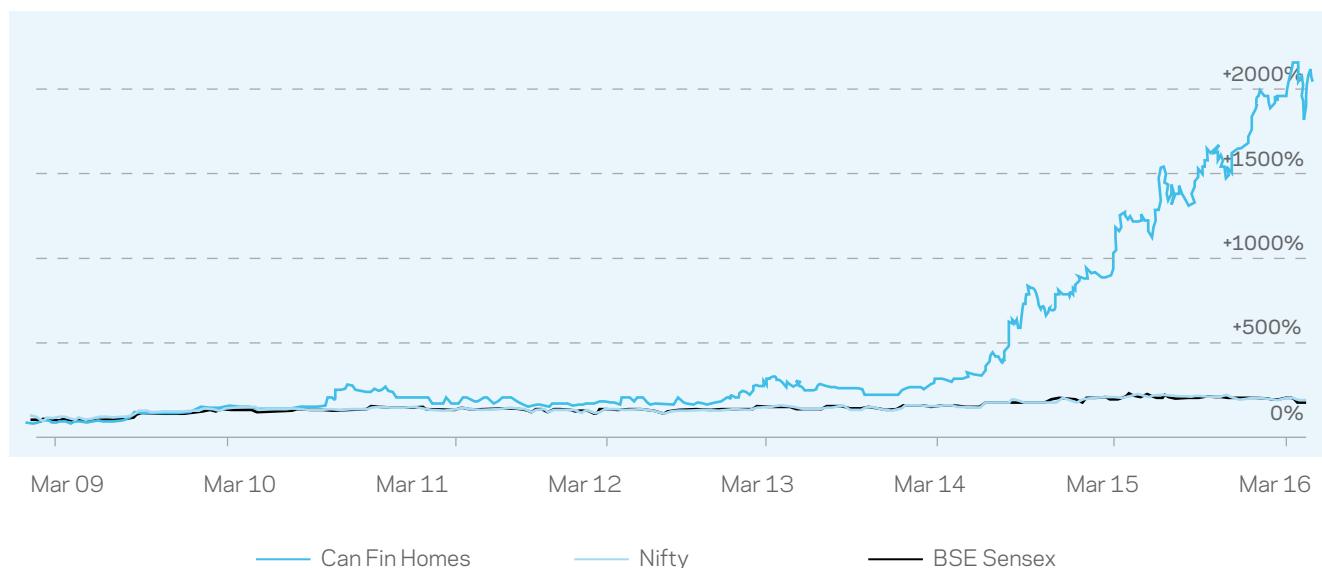
The ISIN allotted to the Equity Shares of the Company is: INE 477A01012.

11. Market Price data - High/Low during each month in the last financial year

(Equity Shares of the face value of ₹10/- each):

Month and Year	National Stock Exchange of India Ltd. (NSE), Mumbai (₹)		BSE Limited Mumbai (₹)	
	High	Low	High	Low
April, 2015	839.00	611.10	839.00	611.75
May, 2015	761.20	609.80	759.00	626.00
June, 2015	778.00	640.50	775.00	640.00
July, 2015	867.00	737.20	862.00	741.30
August, 2015	833.70	680.00	835.00	683.45
September, 2015	934.00	720.00	933.95	719.15
October, 2015	1025.00	875.00	1027.70	876.00
November, 2015	1018.00	919.10	1012.00	900.00
December, 2015	1087.95	946.00	1120.65	948.55
January, 2016	1107.00	845.00	1107.10	840.00
February, 2016	1082.00	840.00	1068.00	841.20
March, 2016	1170.90	945.00	1173.90	957.00

12. Performance in comparison to broad-based indices such as BSE Sensex, NSE Nifty - 2009-2016.

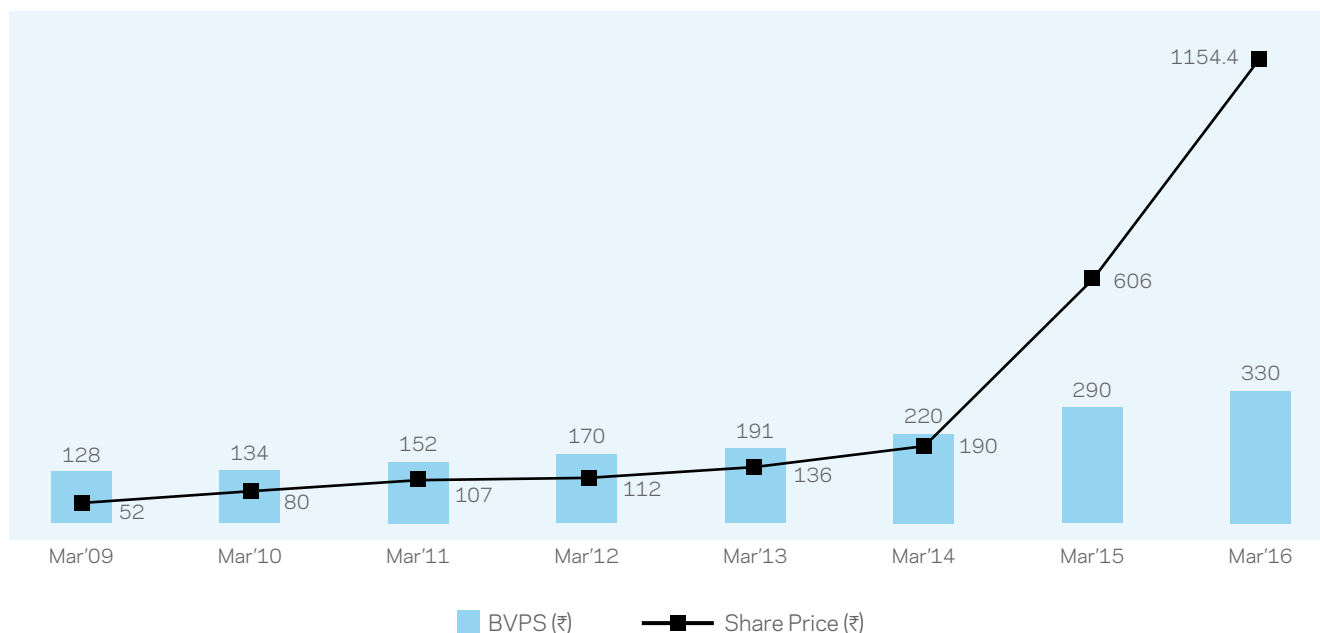




13. Stock price and Book Value - Year to Year - 2009-2016

Book Value per share as on March 31, 2016 = ₹330/- per equity share of face value of ₹10/- per share

Market Value per share as on March 31, 2016 (High) = 1,170.90 (NSE), 1,173.90 (BSE)



14. 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),
Mallechwaram, Bengaluru-560 003
Tel: 080-23469661/62, 23469664/65
Fax: 080-23469667
e-mail:canbankrta@ccsl.co.in

Karvy Computershare Pvt Ltd. (Registrar only for Rights Issue made in FY 14-15)
Plot No 17-24, Vittalrao Nagar
Madhapur, Hyderabad - 500081
Tel:40 44655312
Fax:40 23431551
e-mail:Einward.ris@karvy.com

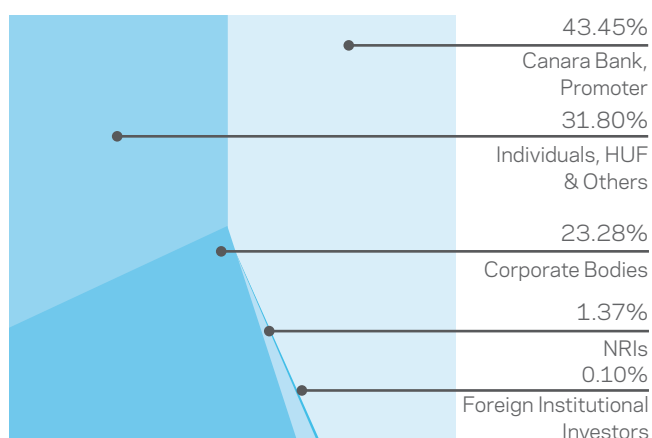
15. Share transfer system

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.

16. Distribution of shareholding as of March 31, 2016

Amount (₹)	Members		Shares	
	Number	%	Amount (₹)	%
Upto - 5000	25296	91.27	28252590	10.61
5001 - 10000	1302	4.70	9256450	3.48
10001 - 20000	581	2.10	8251860	3.10
20001 - 30000	175	0.63	4434650	1.67
30001 - 40000	93	0.34	3276890	1.23
40001 - 50000	57	0.21	2578120	0.97
50001 - 100000	112	0.40	7979140	3.00
100001 and above	98	0.35	202172720	75.94
Total	27714	100.00	266202420	100.00

17. Shareholding Pattern as on March 31, 2016

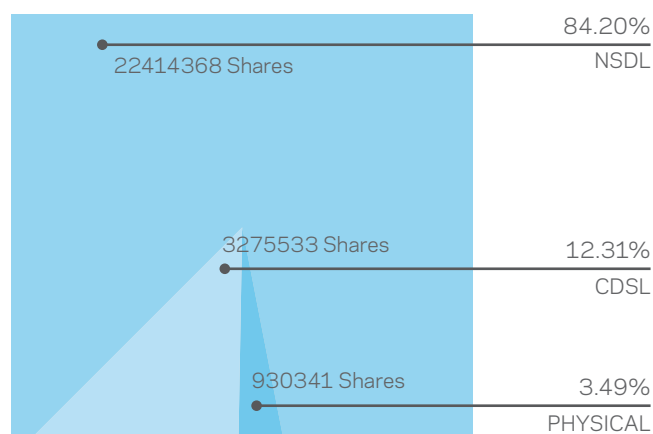


Outstanding GDRs/ADRs/Warrants of any: Not Applicable
convertible instruments, conversion date
and likely impact on equity

Commodity price risk or foreign exchange : Not Applicable
Risk and hedging activities

18. 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 96.51% of paid up capital is held in dematerialised form and the remaining 3.49% 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.



19. 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 2656 5746)

E-mail:investor.relationship@canfinhomes.com



20. Means of communication to the Shareholders

Presently, the Company has about 27,714 shareholders all over India as on March 31, 2016 as against 25,635 as on March 31, 2015.

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.

'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 quarter 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, Report on Corporate Governance, 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 to 7 years, profit, business position of over 5 years horizon, Report of Directors, Report of the Directors on Corporate Governance, Management Discussion and Analysis report, Business Responsibility 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/ re-appointed at the ensuing annual general meeting are provided as an Annexure to the notice convening the said meeting.

In recognition of the initiative taken by the Ministry of Corporate Affairs (MCA), Government of India and as a contribution towards a greener environment the Company has been sending all documents like General Meeting Notices (including AGM), Audited Financial Statements, Report of Directors, Auditors Report, etc. to a significant number of shareholders to their registered e-mail address made available to the Company by the Depositories or by the members themselves, 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 FY 15-16 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 in any of the prescribed modes.

21. Unclaimed dividend

Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, monies transferred to the Unpaid Dividend Account of the Company, which remain unclaimed and unpaid for a period of 7 years from the date on which it was first due for payment, are required to be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government pursuant to Section 205C(1) of the Companies Act, 1956.

Further, in terms of Section 205C(11), no payments shall be made by the Company in respect of claims made after the said period of 7 years. In spite of sending final reminder letters to shareholders individually, before transferring such dividend amounts to IEPF, there are a few shareholders who have not yet encashed/claimed their dividend(s) amount. The corresponding section 125 of the Companies Act, 2013 and related rules are yet to be notified

The due date for transfer of unclaimed dividend amounts to IEPF are as under:

Dividend-relevant years	Dividend Per Share (Face value of ₹10) (₹)	Balance in unpaid dividend account as on 31/03/2016 (₹)	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)*
2008-09	2.00	5,90,810	1.44	27.08.2009	27.08.2016
2009-10	2.00	7,10,846	1.74	25.08.2010	25.08.2017
2010-11	2.50	8,81,340	1.44	24.08.2011	24.08.2018
2011-12	3.00	10,83,801	1.76	08.08.2012	08.08.2019
2012-13	4.00	16,18,656	1.98	07.08.2013	07.08.2020
2013-14	6.50	23,89,224.50	1.80	31.07.2014	31.07.2021
2014-15	7.00	26,33,407	1.41	08.07.2015	08.07.2022

*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 the prevailing contents of Section 205C of the Companies Act, 1956 no claim would lie against the Company or the IEPF after such transfer.

The particulars of the shareholders, who have not claimed dividends pertaining to previous years, are available on the website of the Company in Investor page.



22. 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.

23. Bank account particulars

SEBI has issued a Circular CIR/MRD/DP/10/2013 dated 21/03/13 [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 been using physical payment instruments for payment of dividends to the investors.

24. 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.

25. 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.

26. Shareholding pattern of the Company as of 31/03/16

Particulars Category of Shareholder	Number of shareholders/ folios	Total number of shares	Total shareholding as % of total no. of equity share holdings	Number of shares held in demat mode	% of shares held in demat mode
Promoter and Promoter Group	1	11567207	43.45	11567207	43.45
Mutual Funds/UTI	10	157528	0.59	157528	0.59
Trust	1	300	0.001	300	0.001
Financial Institutions/Banks	3	9710	0.04	9710	0.04
Financial Institutions/ Others	0	0	0.00	0	0.00
Insurance Companies	0	0	0.00	0	0.00
Foreign Financial Institutions	3	2500	0.009	0	0.00
Foreign Institutional Investors	2	26108	0.098	26108	0.10
Foreign National	1	332	0.001	332	0.001
Bodies Corporate	558	6197398	23.28	6187398	23.24
Individuals	25875	8097203	30.42	7185139	27.00
Qualified Foreign Investor	0	0	0	0	0
Director & their relatives	1	520	0.001	520	0.001
Non Resident Indians	737	363930	1.37	362230	1.36
Clearing members	104	27506	0.10	27506	0.10
Hindu Undivided Families	398	164240	0.62	164240	0.62
Employee shareholders	20	5760	0.02	1883	0.01
Persons Acting in Concert	0	0	0	0	0
Others	0	0	0	0	0
GRAND TOTAL	27714	26620242	100.00	25690101	96.51

27. 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



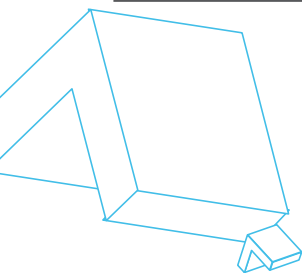
Business RESPONSIBILITY REPORT

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

Section A- General Information about the Company

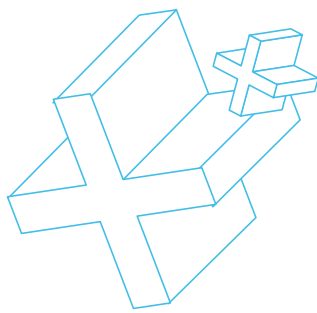
1. Corporate Identity Number (CIN) of the Company	L85110KA1987PLC008699
2. Name of the Company	CAN FIN HOMES LIMITED
3. Registered Address	No.29/1, 1st Floor, Sir. M N Krishna Rao Road, Basavanagudi, Bengaluru-560004 Tel: 080 26564259/ 26565736 FAX: 080 26565746
4. Website	www.canfinhomes.com
5. Email id	compsec@canfinhomes.com development@canfinhomes.com
6. Financial Year reported	2015-16
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
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 120 branches and 50 Satellite offices in over 19 States/Union Territories [as on May 31, 2016].
10. Markets served by the Company - Local / State / National / International	National - India.

**As on May 31,
2016 CFHL is
spread across
Country with
120 branches
and 50 Satellite
offices in over
19 States/Union
Territories**



Section B-Financial Details of the Company

1. Paid up capital	2,662.25 (₹ in Lakh)
2. Total turnover	1,08,293.27 (₹ in Lakh) FY (15-16)
3. Total profit after taxes	15,710.51 (₹ in Lakh)
4. Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	0.69% FY (15-16)
5. List of activities in which expenditure in four above has been incurred:	<p>Providing education materials, renovation, construction of new building, upgradation/ repair of infrastructural facilities/shelters at government schools or schools situated in rural/backward areas and providing equipment to braille transcription centre, providing computers, furniture etc. to schools.</p> <p>The Company also donated old but well maintained desktops to Government recognised primary schools imparting education to children.</p>



Section C -Other Details

- Does the Company have any Subsidiary Company/Companies?
No
- 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.
- 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

- Details of Director / Directors responsible for BR:
 - 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)	03498879
2	Name	Shri Ilango C
3	Designation	Managing Director upto May 18, 2016
4	Telephone No.	080-26568687
5	e-mail id	mdsec@canfinhomes.com

2. Principle-wise (as per NVGs*) Business Responsibility Policy / policies

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 wellbeing 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

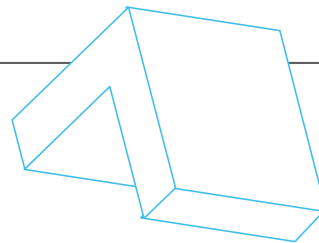
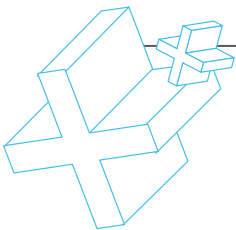
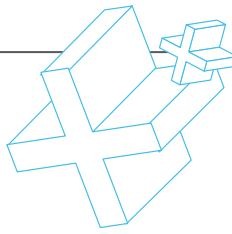
Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

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.



*National Voluntary Guidelines on Social, Environmental & Economic responsibilities of Business

(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	Y	Y	Y
2.	Has the policy been formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If Yes, specify? (50 words)	All the policies are in comparison with the best practices 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	Y	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	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	www.canfinhomes.com								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
8.	Does the Company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders grievance related to the policy/policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Company is yet to carry out independent audit/ evaluation by an internal/external agency.								

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

Sl. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	Not Applicable								
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)									



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

Businesses 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.

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? If so, provide details thereof, in about 50 words or so.

CFHL categorises its stakeholders to include housing loan applicants, borrowers, depositors, shareholders and debenture holders.

During the year FY 15-16, 313 complaints were received from its housing loan applicants, borrowers, depositors out of which 312 complaints working out to 99.68% were satisfactorily resolved and one complaint was outstanding as on March 31, 2016.

During the year, the Company received 03 investor complaints and all the complaints were resolved. There were no unresolved investor complaints as on March 31, 2016.

Principle 2

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

The biggest social responsibility of helping people to have their own shelter is the main objective of the Company. To facilitate the same, Can Fin Homes Limited has been providing loans to home buyers at competitive rates of interest through its various schemes.

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

(a) Chennai Flood Relief measures – Penal interest on all the delayed EMIs on all loans by the borrowers at 9 branches in Chennai, for the months December, 15 and January, 16 have been waived.

(b) A new Urban Housing scheme was introduced to extend financial assistance to the flood affected borrowers of the Chennai region for reconstruction, repair, renovation, and upgradation of their existing dwelling unit.

(c) Loans are granted to the physically challenged/visually impaired persons.

2. For each such 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.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

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?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Wherever practical and feasible, Can Fin Homes Limited has tried to improve the capacity and capability of local and small vendors by patronising them to supply/provide different services required by the Company for its day-to-day administration/operations.

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%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

Not applicable since a housing finance Company.

Principle 3

Businesses should promote the well-being of all employees

1. Please indicate the Total number of employees.

Total number of employees as on March 31, 2016 was 553.

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

Out of 553, 158 are hired on a contractual basis as on March 31, 2016.

3. Please indicate the number of permanent women employees:

As on March 31, 2016, there were 82 permanent women employees employed by the Company.

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

Nil.

5. Do you have an employee association that is recognised by management?

There is no employees' association.

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

Not Applicable.

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

Training by internal and external faculties were provided on updates, new schemes, changes in regulatory and statutory guidelines etc., to different categories of employees in different training programmes covering the permanent employees as well as employees on contract.

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?

No.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?

Not applicable.

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.

A proper and effective redressal mechanism is available at different level for the stakeholders to take up their issues, if any. Formal and informal consultations / discussions are held with the different stakeholders at different management level to obtain their ideas, views and opinions for better handling of their interests.

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 employees, all stakeholders and society is being considered for recognition of human rights.

The Company treats all its stakeholders and customers with dignity, respect and due understanding. The Company takes care to be just, patient and understanding while dealing with delinquent customers who have availed housing loans.

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, the Company received 03 investor complaints (shareholders) and all the complaints were resolved. As on March 31, 2016, no investor complaints are pending



Principle 6

Businesses 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 being in the business of granting housing loans encourages housing projects which are environmentally safe and secure. The Company has installed Solar-UPS in some of its branches.

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

Not applicable.

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

Not Applicable.

- 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.**

Not applicable. Certain branches of the Company have been using solar power energy, LED lamps etc.

- 6. Are the Emissions/Waste generated by the Company within the permissible limits given by Central Pollution Control Board (CPCB)/State Pollution Control Board (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? If Yes, Name only those major ones that your business deals with:**

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? Yes/ No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

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 is having a scheme viz., Gruhalakshmi Rural Housing Scheme for housing financial assistance to women in rural areas thus enabling women empowerment, Loan under Urban Housing Scheme and Special Urban Housing Refinance Scheme devised for the above purpose.

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

Yes, by in-house team.

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

No.

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

Nil.

5. Have you taken steps to ensure that the community successfully adopts this community development initiative? 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.

During the FY 15-16, 1568 representations from its housing loan applicants, borrowers, depositors, out of which, 313 are categorized as complaints and 312 are satisfactorily resolved. One complaint was outstanding as of March 31,2016.

2. Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks(additional information)

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.

No.

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 feed backs on-line through a customer portal hosted on the website of the Company.

CEO CFO CERTIFICATION


Registered Office

No. 29/1, 1st Floor, M N Krishna Rao Road
 Near Lalbagh West Gate, Basavanagudi, Bengaluru - 560 004
 E-mail : compsec@canfinhomes.com • Tel :080 26565736,080 26564259
 Fax:080 26565746 • Web: www.canfinhomes.com
 CIN: L85110KA1987PLC008699

Sub: Corporate Governance in listed companies - Regulation 17(8) Part B of SEBI (Listing obligations & Disclosure Requirements) Regulations 2015 - CEO/CFO certification for the year ending March 31, 2016

With reference to the certification as per Regulation 17(8) Part B of the SEBI (Listing obligations & Disclosure Requirements) Regulations 2015, we certify that:

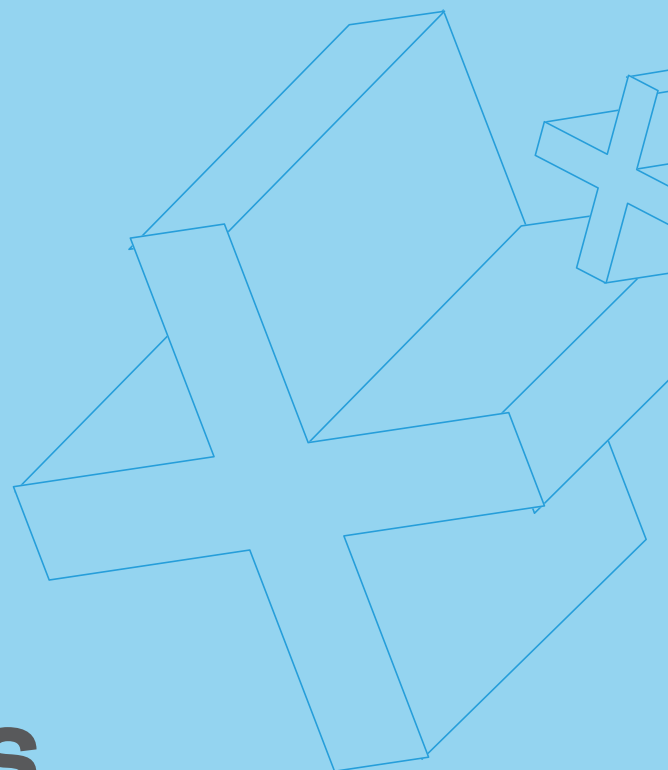
- a) We have reviewed financial statements and the Cash Flow statement for the year ended March 31, 2016 and that to the best of our knowledge and belief:
 - i. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee
 - i. Significant changes in Internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Bengaluru
 Date: April 28, 2016

Sd/-
Atanu Bagchi
 Deputy General Manager & CFO

Sd/-
C Ilango
 Managing Director

Financial STATEMENTS



III

FINANCIAL STATEMENTS**102-131**

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Independent AUDITOR'S REPORT

TO THE MEMBERS OF CANFIN HOMES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Can Fin Homes Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016 and the Statement of Profit and Loss for the year then ended, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information [in which are incorporated the returns for the year ended on that date audited by the branch auditors of the Company's 95 branches]

Management's Responsibility for the Financial Statements

1) 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 of these financial statements that give a true and fair view of the financial position and financial performance 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 provision of the Act for safeguarding of 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 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

2) 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

- 3) In our opinion and to the best of our information and according to the explanations given to us, the 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:
- (i) in case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016
 - (ii) in case of the Statement of Profit and Loss, of the profit for the year ended on that date, and;
 - (iii) in case of cash flow statement, the Cash Flows of the Company for the year ended on that date

Other Matter

- 4) We did not audit the financial statements of 95 branches included in the financial statements of the Company whose financial statements reflect total assets of ₹5,789/- crores as at March 31, 2016 and total revenues of ₹559/- crores 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

- 5) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating

effectiveness of such controls, refer to our separate Report in "Annexure B".

7) 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 it appears from our examination of those books.
- (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) 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 disclosed the impact of pending litigations on its financial position in Note 17 to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The amounts which were required to be transferred to the Investor Education and Protection Fund by the Company have been transferred by the Company.

for **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

K. Viswanath
Partner
Membership No. 022812

Place : Bengaluru
Date : April 28, 2016



Annexure A to INDEPENDENT AUDITORS' REPORT

[REFERRED TO IN PARAGRAPH (4) OF OUR REPORT OF EVEN DATE]

- (i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanations given to us, the fixed assets of the company have been physically verified by the management during the year and no material discrepancies were found on such verification.
- (c) The title deeds of immovable property are held in the name of the Company.
- (ii) The company does not have inventory of goods, hence the provisions of Para 4(ii) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (iii) 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, 2013. Therefore the provisions of Para 4(iii) of the Companies (Auditors Report), 2016 are not applicable to the Company.
- (iv) According to the information and explanations given to us, the company does not have any loans, investments, guarantees, and security which are subject to provisions of section 185 and 186 of the Companies Act, 2013. Therefore the provisions of Para 4(iv) of the Companies (Auditors Report), 2016 are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under to the extent applicable and the Housing Finance Companies (NHB) directions, 2010 with regard to the deposits accepted from public.
- (vi) As explained to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013 in the case of this company.
- (vii) (a) According to the information and explanations given to us and as per our verification of the records of the company, the company has been regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues with the appropriate authorities during the year.

- (b) According to the information and explanations given to us and as per our verification of the records of the company, the following disputed amounts of tax/duty that have not been deposited with appropriate authorities as at March 31, 2016 are given below :

Statute	Nature of dues	Amount (₹)	Period to which the amount relates	Forum to which amount is pending
Income Tax Act, 1961	Income Tax	4,48,13,345	AY 2007-08	The Company has filed an appeal before the Hon'ble High Court of Karnataka which has been admitted and yet to be heard
Income Tax Act, 1961	Dividend Distribution Tax u/s.115-O	16,43,798	AY 2011-12	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.
Total		4,64,57,143		

- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
- (ix) According to the information and explanations given to us, no fraud by the company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- (x) 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.
- (xi) The company is not a Nidhi Company and therefore the provisions of Para 4(xi) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xii) The transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiii) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore the provisions of Para 4(xiii) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xiv) The company has not entered into any non-cash transactions with directors or persons connected with him, therefore the provisions of Para 4(xiv) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xv) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

for **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

K. Viswanath
Partner
Membership No. 022812

Place : Bengaluru
Date : April 28, 2016



Annexure B to INDEPENDENT AUDITORS' REPORT

[REFERRED TO IN PARAGRAPH (5) OF OUR REPORT OF EVEN DATE]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

1. We have audited the internal financial controls over financial reporting of the Company as at March 31, 2016 in conjunction with our audit of the Balance Sheet as at March 31, 2016, the statement of profit and loss and cash flow statement annexed for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the 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 the Companies Act, 2013 ('the Act').

Auditor's Responsibility

3. 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 and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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.
4. 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.

5. 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

6. 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. This includes those policies and procedures that :
 - i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - ii) 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;
 - iii) 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

7. 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

8. In our opinion, the Company has maintained, 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, 2016, 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 of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **K.P.Rao & Co.**
Chartered Accountants
Firm Reg. No. 003135S

K. Viswanath
Partner
Membership No. 022812

Place : Bengaluru
Date : April 28, 2016

Balance SHEET

As at March 31, 2016

(₹ in Lakh)

Particulars	Note No.	As at March 31, 2016	As at March 31, 2015
I EQUITY AND LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	02	2,662.25	2,662.25
(b) Reserves and Surplus	03	85,141.76	74,486.48
		87,804.02	77,148.73
(2) Share Application Money pending Allotment	04	47.62	47.62
(3) Non-Current Liabilities			
(a) Long Term Borrowings	05	6,96,544.72	5,45,726.09
(b) Deferred Tax Liabilities (Net)	12	5,686.98	2,161.43
(c) Long Term Provisions	06	6,966.38	5,394.11
		7,09,198.08	5,53,281.63
(4) Current Liabilities			
(a) Short Term Borrowings	07	1,65,961.67	1,48,365.64
(b) Other Current Liabilities	08	1,04,480.98	47,556.41
(c) Short Term Provisions	09	11,967.00	7,035.40
		2,82,409.65	2,02,957.45
Total		10,79,459.37	8,33,435.43
II ASSETS			
(1) Non - Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	888.75	927.75
(b) Non-Current Investments	11	1,493.50	1,493.50
(c) Deferred Tax Assets (Net)	12	0.00	0.00
(d) Long Term Loans and Advances	13	10,61,670.09	8,20,697.51
		10,64,052.34	8,23,118.76
(2) Current Assets			
(a) Cash and Cash Equivalents	14	1,735.22	800.21
(b) Short Term Loans and Advances	15	13,654.15	9,483.78
(c) Other Current Assets	16	17.66	32.68
		15,407.03	10,316.67
Total		10,79,459.37	8,33,435.43
Significant Accounting Policies	01		

See accompanying notes forming part of the financial statements.

 For **K.P.Rao & Co,**
Chartered Accountants
FR NO-003135S

K.N.Prithviraj
Chairman

C Ilango
Managing Director

P.B.Santhanakrishnan
Director

K. Viswanath
Partner
Membership No: 022812

S.A.Kadur
Director

T.V.Rao
Director

P.V.Bharathi
Director

 Place: Bengaluru
Date: April 28, 2016

S K Hota
Whole time Director

Bharati Rao
Director

Atanu Bagchi
Chief Financial Officer

Veena G Kamath
Company Secretary

Statement of PROFIT AND LOSS

For the year ended March 31, 2016

(₹ in Lakh)

Particulars	Note No.	Year ended March 31, 2016	Year ended March 31, 2015
INCOME			
Revenue from Operations	18	1,08,293.27	81,630.64
Other Income	19	61.03	72.72
Total Revenue		1,08,354.30	81,703.36
EXPENSES			
Employee benefit Expenses	20	3,305.67	2,475.08
Finance Costs	21	74,348.03	61,028.95
Depreciation and Amortization Expenses	22	346.45	373.25
Other Expenses	23	3,027.55	2,656.09
Total Expenses		81,027.70	66,533.37
Profit Before Tax, Provision and Exceptional Items		27,326.61	15,169.98
Provisions			
Provision for Standard Assets	13.4	1,400.00	1,200.00
Provision for Doubtful Debts (Written back)	24	540.53	224.77
Profit Before Tax and Exceptional Items		25,386.07	13,745.21
Exceptional Items			
Prior Period Adjustments		0.00	0.00
Profit Before Tax		25,386.07	13,745.21
Tax expenses:			
(a) Current Year		8,000.00	4,323.00
(b) Deferred Tax		1,675.56	797.91
Profit for the period		15,710.51	8,624.30
Earnings per Equity Share (face value ₹10/-)			
(1) Basic (in ₹)		59.02	41.45
(2) Diluted (in ₹)		59.02	41.45

See accompanying notes forming part of the financial statements.

For **K P Rao & Co,**
Chartered Accountants
FR NO-003135S

K.N.Prithviraj
Chairman

C Ilango
Managing Director

P.B.Santhanakrishnan
Director

K. Viswanath
Partner
Membership No: 022812

S.A.Kadur
Director

T.V.Rao
Director

P.V.Bharathi
Director

Place: Bengaluru
Date: April 28, 2016

S K Hota
Whole time Director

Bharati Rao
Director

Atanu Bagchi
Chief Financial Officer

Veena G Kamath
Company Secretary



Cash Flow STATEMENT

For the year ended March 31, 2016

(₹ in Lakh)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
A CASH FLOW FROM OPERATING ACTIVITIES		
NET PROFIT BEFORE TAX AND EXTRA ORDINARY ITEMS	27,326.61	15,169.98
ADJUSTMENTS FOR :		
Depreciation	346.45	373.25
(Profit)/Loss on sale of Assets	(25.39)	(36.72)
Interest Received on SLR deposits	(164.85)	(136.85)
Bad debts written off	329.37	210.08
Provision for retirement benefits	407.50	215.90
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	28,219.68	15,795.65
ADJUSTMENTS FOR :		
Current Assets	(4,433.70)	(251.42)
Current Liabilities	22,180.60	(6,069.62)
	17,746.90	(6,321.04)
CASH GENERATED FROM OPERATIONS	45,966.58	9,476.61
Direct taxes paid	(7,771.81)	(4,181.09)
CASH FLOW BEFORE EXTRAORDINARY ITEMS	38,194.77	5,293.52
NET CASH FROM OPERATING ACTIVITIES 'A'	38,194.77	5,293.52
B CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(317.67)	(537.03)
Sale of Fixed Assets	35.58	46.54
Purchase of Investments	(945.00)	-
Sale of Investments	-	-
Interest Received	147.19	136.85
NET CASH USED IN INVESTING ACTIVITIES 'B'	(1,079.90)	(353.64)

Cash Flow STATEMENT

For the year ended March 31, 2016

(₹ in Lakh)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
C CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Share Capital	0.00	27,339.47
Long Term Borrowings(Net of Repayments)	2,06,452.44	2,07,670.00
Loans (Net of Repayments) *	(2,41,391.32)	(2,38,966.65)
Dividends paid	(2,185.99)	(1,557.84)
Net Cash Used In Financing Activities 'C'	(37,124.86)	(5,515.01)
Net (Decrease)/Increase In Cash And Cash Equivalents `A+B+C'	(9.99)	(575.14)
Opening Balance Of Cash And Cash Equivalents `D'	340.21	915.35
Closing Balance Of Cash And Cash Equivalents `E'	330.22	340.21
Net (Decrease)/Increase In Cash And Cash Equivalents `E-D'	(9.99)	(575.14)
* Including Securitised Assets		

K.N.Prithviraj
Chairman

C Ilango
Managing Director

P.B.Santhanakrishnan
Director

S.A.Kadur
Director

T.V.Rao
Director

P.V.Bharathi
Director

SK Hota
Whole time Director

Bharati Rao
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 31, 2016. 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 **K P Rao & Co,**
Chartered Accountants
FR NO-003135S

K. Viswanath
Partner
Membership No: 022812

Place: Bengaluru
Date: April 28, 2016



Notes forming part of the FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

i. METHOD OF ACCOUNTING

The Company adopts the accrual method and historical cost concept in the preparation of the accounts in accordance with generally accepted accounting principles.

ii. REVENUE RECOGNITION

The Company follows National Housing Bank's (NHB) Prudential Norms for recognition of income for Non-performing assets and provision for Non-performing & Standard assets. As per NHB Prudential Norms, an asset will be classified as non-performing if the interest or installments are overdue for 90 days or more. Further, non-performing assets are classified into sub-standard, doubtful and loss assets depending upon the age. Income is recognised on accrual basis in respect of performing Assets and on receipt basis for non-performing Assets.

iii. ACCOUNTING OF HOUSING LOANS

Loans to the extent, the installments have not become due as at the year-end and suit filed accounts are being shown under housing loans.

iv. INTEREST ON LOANS

Repayment of loans is by way of Equated Monthly Installments (EMIs) comprising of principal and interest. EMIs commence once the entire loan is disbursed. Pending commencement of EMIs, Pre-EMI interest is receivable every month. Interest is calculated on annual/ monthly rest basis.

v. INVESTMENTS

Investments are long term in nature and capitalised at cost inclusive of brokerage and stamp charges and adjusted for any front-end fees received. Premium paid on Investments are written off in the year of purchase. Weighted Average Cost is taken for determining the profit on sale of Investments.

vi. FIXED ASSETS

Fixed Assets are capitalised at cost inclusive of legal and/or installation expenses.

vii. DEPRECIATION

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

viii. EMPLOYEE BENEFITS

The Provision towards Gratuity, Compensated Absence, Exempt Provident Fund, Leave Fare Concession and Sick Leave are made based on the actuarial valuation as at the end of the year and charged to the Profit & Loss Account along with actuarial gains/losses.

ix. 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 resulting from timing difference between book and taxable profit is accounted for using the rates and laws that have been enacted or substantially enacted as at the Balance Sheet date. The Deferred Tax Asset is recognised and carried forward only to the extent that there is a future taxable income.

x. ACCOUNTING OF BORROWING EXPENSES

Expenses incurred for issue of NCDs & CPs such as ROC fee, Stamp Duty etc., are charged to Profit & Loss Statement in the year of issue. The discount on CP pertaining to the period after the Balance Sheet date is disclosed as unamortised discount on CP.

Notes forming part of the FINANCIAL STATEMENTS

2. SHARE CAPITAL

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
AUTHORISED		
7,00,00,000 Equity Shares of ₹10 each	7,000.00	7,000.00
ISSUED AND SUBSCRIBED		
2,66,45,575 Equity Shares of ₹10 each	2,664.56	2,664.56
PAID UP		
2,66,20,242 Equity shares of ₹10 each	2,662.02	
Add : Forfeited Shares	0.23	2,662.25
	2,662.25	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, 2016		As at March 31, 2015	
	No	₹ in Lakh	No	₹ in Lakh
Equity Shares outstanding as at the beginning of the year	2,66,20,242	2,662.25	2,04,85,250	2,048.75
Add: Equity shares issued during the year (Refer Note no. 2.1)	-	-	61,34,992	613.50
Equity Shares outstanding as at the end of the Year	2,66,20,242	2,662.25	2,66,20,242	2,662.25

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

Particulars	As at March 31, 2016		As at March 31, 2015	
	No	% of shares held to total shares	No	% of shares held to total shares
Canara Bank	1,15,67,207	43.45	1,15,72,927	43.47
Chhattisgarh Investments Ltd	35,78,607	13.44	38,13,006	14.32

2.1 During the previous year the Company has allotted 61,34,992 Equity Shares of the face value of ₹10/- each for cash at a price of ₹450/- each (inclusive of a premium of ₹440/- per share) on Rights basis on March 9, 15 and the allotment of 10,583 equity shares are kept in abeyance pending receipt of final order by the Hon'ble High Court of Kerala.

2.2 Terms and Rights attached to Equity Shares: The Company has one class of Equity shares having a face value of ₹10/- 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.

3. RESERVES AND SURPLUS

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
SPECIAL RESERVE (Refer Note 3.1)		
(in terms of Section 36(1)(viii) of Income Tax Act, 1961)		
Opening Balance	25,221.00	22,371.00
Add: Transferred from P & L account (Refer Note 3.2)	5,500.00	2,850.00
	30,721.00	25,221.00

Notes forming part of the FINANCIAL STATEMENTS

3. RESERVES AND SURPLUS (contd...)

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
GENERAL RESERVE		
Opening Balance	17,205.21	17,064.00
Less: Creation of DTL on Special Reserve (Refer Note 3.3)	1,850.00	1,850.00
Less: Write off of Fixed Assets whose life was Zero as on 01/04/14 (Refer Note 3.5)	0.00	8.79
Add: Transferred from P & L account	4,000.00	2,000.00
	19,355.21	17,205.21
ADDITIONAL RESERVE (u/s 29C of The NHB Act)		
Opening Balance	4,500.00	2,700.00
Add: Transferred from P & L account (Refer Note 3.2)	3,200.00	1,800.00
	7,700.00	4,500.00
SECURITY PREMIUM RESERVE		
Opening Balance	27,250.97	525.00
Add: Received during the year	0.00	26,725.97
	27,250.97	27,250.97
PROFIT AND LOSS ACCOUNT		
Opening Balance	309.30	521.72
Add: Surplus in the statement of Profit and Loss account	15,710.51	8,624.30
	16,019.81	9,146.02
Less: Appropriation for:		
Special Reserve	5,500.00	2,850.00
General Reserve	4,000.00	2,000.00
Additional Reserve (u/s 29C of the NHB Act)	3,200.00	1,800.00
Proposed Dividend (Refer Note 3.6)	2,663.08	1,864.16
Corporate Dividend Tax thereon	542.15	322.57
	114.58	309.30
	85,141.76	74,486.48

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 ₹5,500 Lakh (previous year ₹2,850 Lakh) to Special Reserve which is in terms of Section 36(1)(viii) of the Income Tax Act, 1961 and ₹3,200 Lakh (previous year ₹1,800 Lakh) to Additional Reserve U/S 29C of the NHB Act, 1987 during the FY 2015-16.

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, 14 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 has to adjust the DTL of ₹7,399.96 Lakh in three years. In the current year the Company has transferred ₹1,850.00 Lakh (previous year ₹1,850 Lakh) from the General Reserve to DTL on the Special Reserve outstanding as on March 31, 14.

Notes forming part of the FINANCIAL STATEMENTS

3.4 Further, Deferred Tax Liability (net) of ₹1,675.56 (previous year ₹797.91 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 in the previous year reworked the useful life on various Fixed Assets as prescribed in Part C of Schedule II of the Companies Act, 2013. In respect of those assets whose remaining useful life as on April 1, 14 was NIL, the same had been adjusted to the General Reserve as prescribed under 7(b) to the notes of the said Schedule II of the Companies Act, 2013.

3.6 The Company has in the current year recommended a Dividend of ₹10/- on the Equity Shares of the face value of ₹10/- each.

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:

(₹ in Lakh)

Particulars	Current Year	Previous Year
Reserves & Surplus		
Statutory Reserve (As per section 29C of the National Housing Bank Act, 1987)		
Opening Balance	4,500.00	2,700.00
Additions during the year	3,200.00	1,800.00
Appropriations during the year	0.00	0.00
Closing Balance	7,700.00	4,500.00

(₹ 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	4,500.00	2,700.00
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	25,221.00	22,371.00
Total	29,721.00	25,071.00
Addition/ Appropriation Withdrawal during the year		
Add:		
a) Amount transferred u/s 29C of the NHB Act, 1987	3,200.00	1,800.00
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.	5,500.00	2,850.00
Less:		
a) Amount appropriated from the Statutory Reserve u/s 29C of the NHB Act, 1987	0.00	0.00
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.	0.00	0.00
Balance at the end of the year		
a) Statutory Reserve u/s 29c of the National Housing Bank Act, 1987	7,700.00	4,500.00
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.	30,721.00	25,221.00
Total	38,421.00	29,721.00

4. SHARE APPLICATION MONEY PENDING ALLOTMENT

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
The application money in respect of 10,583 equity shares under the Rights Issue. (Refer Note 2.1)	47.62	47.62



Notes forming part of the FINANCIAL STATEMENTS

5. LONG TERM BORROWINGS

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
SECURED (Refer Note 5.1)		
National Housing Bank	3,06,714.87	2,90,997.09
Housing & Urban Development Corporation (HUDCO)	28,000.00	0.00
Loans and Advances from Related parties*	1,36,648.34	1,78,826.33
Loans & Advances from HDFC Bank	63.16	1,762.29
Loans & Advances from Bank of Baroda	98.80	199.63
Loans & Advances from State Bank of India	33,750.00	0.00
Secured Redeemable Non Convertible Non-Cumulative Taxable Debentures (Refer Note 5.2)	1,74,000.00	55,000.00
	6,79,275.17	5,26,785.33
*Represents the advances availed from Canara Bank		
UNSECURED		
Unsecured Redeemable Non Convertible Debenture in the nature of Tier II Bonds (Refer Note 5.3)	10,000.00	10,000.00
Deposits (Refer Note 5.4)	7,269.55	8,940.76
	6,96,544.72	5,45,726.09

5.1 The borrowings from National Housing Bank, HUDCO, Canara Bank, HDFC Bank, Bank of Baroda, Kotak Mahindra Bank, Federal Bank, Deutsche 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 between 2-15 years and that of short term borrowings is less than 1 year.

5.2 During the year the Company has issued Secured Redeemable Non-Convertible Non-Cumulative Taxable Debentures worth ₹1,54,000 Lakh (previous year ₹30,000 Lakh) through private placement totalling to ₹2,09,000 Lakh. These debentures are secured by way of floating charge on the assets i.e., loan receivables specifically earmarked for the purpose. The debentures to the extent of ₹25,000 Lakh (raised in the year 2013-14) are secured by way of floating charge on the assets i.e., loan receivables specifically earmarked for the purpose and also by mortgage of an immovable property (an apartment located at Kodigehalli, Hebbal, Bengaluru) in favour of the Debenture Trustees.

The details of the Secured Redeemable Non Convertible Taxable Debentures as on March 31, 2016 are as follows:

Rate of Interest	Date of Issue	Date of Redemption	₹ in Lakh
10.05%	13/01/14	13/01/17	16,200.00
10.05%	23/01/14	23/01/17	8,800.00
8.78%	10/12/14	10/12/16	10,000.00
8.80%	06/02/15	06/02/18	20,000.00
8.69%	28/04/15	28/04/18	20,000.00
8.70%	28/05/15	28/05/18	10,000.00
8.80%	02/07/15	02/07/18	20,000.00
8.71%	07/08/15	07/08/18	20,000.00
8.69%	10/09/15	10/09/20	10,000.00
8.44%	08/10/15	08/10/18	10,000.00
8.41%	30/10/15	30/01/19	15,000.00
8.45%	24/11/15	22/02/19	10,000.00
8.55%	22/12/15	22/03/19	10,000.00
8.60%	07/01/16	06/04/19	12,500.00
8.85%	17/02/16	17/05/19	16,500.00
Total			2,09,000.00

Notes forming part of the FINANCIAL STATEMENTS

5.3 Further, the Company has issued Unsecured Debentures in the nature of Tier II Bonds worth NIL (previous year ₹10,000 Lakh) 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, 2016, 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 Bonds as on March 31,16 are as follows:

Rate of Interest	Date of Issue	Date of Redemption	Amount in ₹ Lakh
8.94%	03/12/14	03/12/24	10,000.00
Total			10,000.00

5.4 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.

6. LONG TERM PROVISIONS

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Employee Benefits (Refer Note 28)	892.94	720.67
Contingencies	600.00	600.00
Standard Asset Provisions (Refer Note 13.5)	5,200.00	3,800.00
Interest on Income Tax Refund	273.44	273.44
	6,966.38	5,394.11

7. SHORT TERM BORROWINGS

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
SECURED (Refer Note 5.1)		
Loans & Advances from Related parties (Refer Note 7.1)	34,449.68	31,901.35
Overdraft Account from Federal Bank	4,107.25	5,199.38
Loans & Advances from Deutsche Bank	0.00	500.00
UNSECURED		
Loans & Advances -Oriental Bank of Commerce	6,045.57	0.00
Loans & Advances -State Bank of India	6,531.36	0.00
Commercial Paper (Refer Note 7.2)	1,00,000.00	97,500.00
Deposits from Public (Refer Note 5.4)	14,827.81	13,264.92
	1,65,961.67	1,48,365.64

7.1 The Overdraft account with related party includes ₹8,980.76 Lakh (previous year ₹5,312.48 Lakh) being the cheques issued towards disbursements to borrowers and towards expenses but not encashed as on March 31, 2016.

7.2 The Company has issued Commercial Paper at a discount to the face value and the discount is amortised for the current year to the extent accrued and the unamortised amount of ₹3,863.46 Lakh (previous year ₹2,929.13 Lakh) is shown under Current Asset.



Notes forming part of the FINANCIAL STATEMENTS

7.2 (Contd...)

Details of the Commercial Paper outstanding as on March 31, 2016 are as follows:

SL No.	Value Date	Face value in Lakh	Period in days	Discount Rate
1	02/07/15	7,500.00	364	8.50%
2	15/07/15	12,500.00	364	8.50%
3	04/09/15	20,000.00	365	8.35%
4	12/01/16	10,000.00	181	8.25%
5	16/03/16	2,500.00	364	8.81%
6	17/03/16	27,500.00	365	8.81%
7	23/03/16	20,000.00	61	8.55%
Total		1,00,000.00		

8. OTHER CURRENT LIABILITIES

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
Current maturities of Long term debts (Refer Note 5.1)		
-National Housing Bank - Refinance	46,789.72	31,037.23
-Housing & Urban Development Corpn.	2,000.00	0.00
-Term Loans from Canara Bank	200.00	11,330.00
-Term Loans from HDFC Bank Ltd	21.05	440.57
-Term Loans from Kotak Mahindra Bank Ltd	0.00	551.72
-Term Loans from State Bank of India	1,250.00	0.00
-Secured Redeemable Non Convertible Debentures	35,000.00	0.00
	85,260.77	43,359.52
Other Liabilities (Refer Note 8.1 & 8.2)	1,383.44	1,023.45
Unclaimed Deposits (Refer Note 8.3)	1,705.79	1,449.52
Provision for Expenses (Refer Note 8.4)	15,790.07	1,640.29
Unclaimed Dividend	98.34	83.63
Advance Receipts for Charges	242.57	0.00
	1,04,480.98	47,556.41

8.1 Other liability includes :-

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
(i) Funds in transit	492.54	366.91
(ii) Cheques pending presentation	69.69	202.23
(iii) Time barred cheques	136.71	113.49
(iv) Cheques pending realisation	165.82	67.90
(v) Statutory Liabilities	169.39	64.89
(vi) LS General	149.56	36.92
(vii) DSA Agent Commission	106.70	65.33
(viii) Others	93.03	105.78

Notes forming part of the FINANCIAL STATEMENTS

8.2 Other Liabilities 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 inquiries made by the company for this purpose.

8.3 As required under Section 125 of the Companies Act, 2013, the Company has transferred ₹3.62 Lakh (Previous Year ₹19.43 Lakh) to Investor Education and Protection Fund (IEPF) during the year as of March 31, 2016, except to the extent of ₹21.41 Lakh (previous year ₹5.51 Lakh) in respect of claims that are disputed. As of March 31, 2016, no amount was due for transfer to the IEPF.

8.4 Provision for Expenses includes provision made for interest on NHB borrowings of ₹7,025.46 Lakh (previous year NIL) and interest on Debentures of ₹8,544.83 Lakh (previous year 1,333.95 Lakh).

9. SHORT TERM PROVISIONS

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Income Tax	8,000.00	4,323.00
Dividend	2,662.02	1,863.42
Tax on Dividend	542.15	322.57
Dividend on Shares kept in abeyance	1.93	0.74
Employee Benefits (refer Note 28)	760.90	525.67
	11,967.00	7,035.40

10. FIXED ASSETS

(₹ in Lakh)

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at April 1, 2015	Additions	Deductions	As at March 2016	As at April 1, 2015	Additions	Deductions	As at March 2016	As at March 2016	As at March 2015
Buildings*	297.67	0.00	15.80	281.88	175.99	7.83	10.22	173.59	108.28	121.69
Furniture and Fixtures	657.59	101.38	18.81	740.17	287.48	115.79	17.07	386.20	353.97	370.11
Computers	432.20	90.35	14.51	508.04	309.44	109.37	14.24	404.57	103.47	122.76
Office Equipments	32.23	17.44	3.37	46.31	18.87	11.35	3.24	26.98	19.32	13.36
Electrical Equipments	407.93	77.63	14.44	471.12	172.07	75.85	11.99	235.93	235.18	235.85
Vehicles - Cars	58.03	14.55	0.00	72.58	30.29	13.42	0.00	43.70	28.88	27.75
Vehicles - Two wheelers	63.22	16.31	0.80	78.74	26.99	12.84	0.73	39.10	39.64	36.23
Total	1,948.88	317.67	67.72	2,198.83	1,021.13	346.45	57.50	1,310.08	888.75	927.75
Previous Year	1,466.05	537.03	54.20	1,948.88	684.42	373.25	44.38	1,021.13	927.75	0.00

* On land jointly held with others.

* Land is not bifurcated from building

Note

1. Depreciation has been charged as per the Revised Schedule II of the new Companies Act, 2013.

2. The Part C of Schedule II of the Companies Act, 2013, prescribes the Useful life as the basis for calculating the depreciation with effect from April 1,14.



Notes forming part of the FINANCIAL STATEMENTS

11. NON CURRENT INVESTMENTS (At Cost, Non Trade in Government or Trust Securities)

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
06.05% Government of India Securities,2019	500.00	500.00
06.01% Government of India Securities,2028	500.00	500.00
05.64% Government of India Securities,2019	493.50	493.50
	1,493.50	1,493.50
Notes:		
Face value of investments.	1,500.00	1,500.00
Investments placed for SLR purpose and would be held to maturity, hence market value not furnished.		

12. DEFERRED TAX ASSET / LIABILITY

In view of Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, adjustment to the deferred tax liability (net) of ₹1,675.56 Lakh {Previous year ₹797.91 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:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Deferred Tax Assets:		
Provision for Doubtful debts	323.85	257.77
Provision for Employee Benefits	572.39	423.63
Depreciation on Assets	6.72	0.00
Sub-Total (A)	902.96	681.40
Deferred Tax liability:		
Depreciation on Assets	0.00	24.11
On Special Reserve created before 01/04/14 (Refer Note 3.3)	3,700.00	1,850.00
On Special Reserve created after 01/04/14	2,889.94	968.72
Sub-Total (B)	6,589.94	2,842.83
Deferred Tax Liability/(Asset) (B-A)	5,686.98	2,161.43

Notes forming part of the FINANCIAL STATEMENTS

13. LONG TERM LOANS AND ADVANCES (Refer Note 13.1)

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
(i) Secured, Considered Good.		
a) Housing Loans - Individuals/staff	9,34,714.52	7,29,400.59
b) Housing Loans -Corporate Bodies & Others	2,199.98	1,627.28
c) Non Housing Loans	1,26,113.64	90,462.67
	10,63,028.14	8,21,490.54
Less: Provision for Non-Performing Assets (Refer Note 13.2 & 13.3)	1,891.07	1416.04
	10,61,137.07	8,20,074.49
d) Loans against deposits	61.56	174.57
(ii) Unsecured, Considered Good		
a) Staff loans	108.93	102.34
b) Security Deposits	362.53	346.10
	10,61,670.09	8,20,697.51

13.1 Loans and instalments due from borrowers are secured, partly secured or otherwise by:

- Equitable mortgage of property and /or
- Other securities, assignment of life insurance policies and/or
- Bank guarantees, company guarantees or personal Guarantees and/or
- Negative lien and/or
- Undertaking to create a security.

13.2 Classification of loans and provisions made for non-performing assets is given hereunder:

(₹ in Lakh)

Loans	As on 31.3.2016					As on 31.3.2015				
	Standard	Sub-standard	Doubtful	Loss	Total	Standard	Sub-standard	Doubtful	Loss	Total
Housing loans (including instalments due from borrowers):										
-Individuals	9,33,362.31	750.86	1,019.16	36.06	9,35,168.39	7,28,376.26	609.99	688.67	85.29	7,29,760.21
-Corporate bodies	2,964.05	0.00	0.00	0.00	2,964.05	2,788.35	0.00	0.00	0.00	2,788.35
-Other Loans	1,26,011.72	147.43	22.22	0.00	1,26,181.37	90,528.74	22.96	13.28	15.00	90,579.98
Total Loans	1062,338.08	898.29	1,041.38	36.06	10,64,313.81	8,21,693.35	632.95	701.95	100.29	8,23,128.54
Provision-Housing loans	-	112.63	749.70	36.06	898.39	-	91.50	552.74	85.29	729.53
Provisions for Other loans	-	22.11	15.22	0.00	37.33	-	3.44	10.41	15.00	28.85
Additional Provision - (Individuals, Corporate Bodies, Others)	-	763.55	276.46	-	1,040.01	-	538.01	138.80	-	676.81
Total	-	898.29	1,041.38	36.06	1,975.73	-	632.95	701.95	100.29	1,435.19

13.3 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, 2016. Provision of loans is required to be maintained as per NHB guidelines on prudential norms to the extent of ₹935.73 Lakh (Previous year ₹758.38 Lakh) against which the company, by way of prudence and abundant caution has maintained cumulative provision of ₹1,975.73 Lakh (Previous year ₹1,435.19 Lakh).



Notes forming part of the FINANCIAL STATEMENTS

13.4 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, in addition to the provision for non performing assets, 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 0.40% 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. Accordingly the Company has made provision for Standard assets as detailed below.

(₹ in Lakh)

Particulars	2015-16		2014-15	
	Outstanding	Provisions	Outstanding	Provisions
(i) Standard Assets - Commercial Real Estate	93,385.73	933.86	67,929.54	679.29
(ii) Standard Assets - Commercial Real Estate - Residential Housing	49,107.70	368.31	19,064.42	142.98
(iii) Standard Assets - Other than (i) & (ii) above	9,19,844.65	3,679.38	7,34,699.39	2,938.80
Total Standard Assets & Provisions required	10,62,338.08	4,981.55	8,21,693.35	3,761.07
Total Provision made for Standard Assets		5,200.00		3,800.00

14. CASH AND BANK BALANCES

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
a) Cash and Cash Equivalents		
Balance with Banks - regular operations	94.23	0.14
Cash on hand	20.34	6.59
Cheques on hand	69.69	202.23
b) Other Bank Balances		
Deposits with Banks held for SLR	1,405.00	460.00
Balance with Banks - Dividend A/c	98.34	83.63
Balance with Banks - Share application A/c	47.62	47.62
	1,735.22	800.21

Notes forming part of the FINANCIAL STATEMENTS

15. SHORT TERM LOANS AND ADVANCES

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
(i) Secured, Considered Good.		
Current Maturities of Long term Advances		
- Housing Loans - Individuals / staff	453.87	359.62
- Housing Loans - corporate bodies & others	764.07	1,161.07
- Non Housing Loans	67.73	117.32
	1,285.67	1,638.00
Less: Provision for Non Performing Assets	84.66	19.15
	1,201.01	1,618.85
(ii) Unsecured, Considered Good		
Other advances (Refer Note 15.1)	12,398.12	7,836.35
Staff Advances	39.92	28.58
Cenvat Credit Receivable	15.10	0.00
	13,654.15	9,483.78

15.1 Other Advances includes unamortised discount on Commercial Paper (CP) amounting to ₹3,863.46 Lakh (previous year ₹2,929.13 Lakh) and Advance Taxes paid (net of provisions) ₹8,464.16 Lakh (previous year ₹4,906.04 Lakh).

16. OTHER CURRENT ASSETS:

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Interest Accrued on Investments held for SLR	17.66	32.68
	17.66	32.68



Notes forming part of the FINANCIAL STATEMENTS

17. CONTINGENT LIABILITIES

(₹ in Lakh)

Nature of claims	As at		Risk involved
	March 31, 2016	March 31, 2015	
Disputed Income Tax matters under appeal:	780.81	761.16	<ol style="list-style-type: none"> 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. 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 continued to be shown as such under disputed Tax. 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.	22.46	4.66	<ol style="list-style-type: none"> There are seven cases in Consumer Court and one case in High Court pending where compensation is sought against the Company.

18. REVENUE FROM OPERATIONS

(₹ in Lakh)

Particulars	As at	
	March 31, 2016	March 31, 2015
(i) INTEREST INCOME		
Housing Loans Individuals	89,108.50	68,630.40
Housing Loan Corporate Bodies & others	501.10	445.91
Non Housing Loans	14,644.91	9,546.95
Staff Loans	10.54	8.96
Loans against deposits	11.59	20.50
Investments and Deposits	164.85	136.85
	1,04,441.48	78,789.57
(ii) FEES AND OTHER CHARGES	3,851.79	2,841.08
	1,08,293.27	81,630.64

Notes forming part of the FINANCIAL STATEMENTS

19. OTHER INCOME

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Profit on sale of fixed assets	25.39	36.72
Bad debts recovered	10.32	31.23
Miscellaneous income	25.32	4.77
	61.03	72.72

20. EMPLOYEE BENEFIT EXPENSES

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Salary and Wages	2,752.75	2,005.71
Contribution to Provident Fund and other Funds	383.34	311.07
Staff Training and Welfare Expenses	169.58	158.31
	3,305.67	2,475.08

20.1 Employee Benefit Expenses include ₹407.50 Lakh (Previous Year ₹215.90 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).

21. FINANCE COSTS

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest on Deposits	2,252.68	1,677.57
Interest on Borrowings	71,283.81	59,153.15
Other Financial charges	811.54	198.23
	74,348.03	61,028.95

22. DEPRECIATION AND AMORTIZATION EXPENSES

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Depreciation on Fixed Assets	346.45	373.25
	346.45	373.25



Notes forming part of the FINANCIAL STATEMENTS

23. OTHER EXPENSES

(₹ in Lakh)

Particulars	As at March 31, 2016	As at March 31, 2015
Advertising	87.70	126.61
Bad debts written off	329.37	210.08
Bank Charges	20.13	27.22
Direct Selling Agent's commission	777.73	755.88
Director's sitting Fees	10.10	10.55
Electricity charges	99.48	79.62
Insurance	37.60	9.17
Miscellaneous Expenses	91.80	83.82
Postage, Courier & Telephone	86.92	63.57
Printing and Stationery	30.10	32.47
Professional Fees	112.71	151.68
Professional Fees - IBS (Refer Note 23.1)	277.87	239.08
Auditors Fees (Refer Note 23.2)	22.46	21.07
Rates and Taxes	94.74	68.30
Rent	617.76	523.69
Repairs & Maintenance	105.92	133.74
Travelling and Conveyance	116.44	116.43
Corporate Social Responsibility (CSR)	108.72	3.10
	3,027.55	2,656.09

23.1 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 ₹277.87 Lakh (Previous Year ₹239.08 Lakh) is charged off to the P & L account under Professional fees - IBS.

23.2 Auditor's Remuneration (net of Service Tax)

(₹ in Lakh)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Audit Fees (Including Branch Statutory Auditors fees)	15.43	16.41
Tax Matters	4.43	4.31
Other Services (Certificates etc.,)	2.60	0.35
Out of Pocket Expenses	4.60	3.36
Total	27.06	24.43

23.3 Remuneration to Managing Director/s (net of Service Tax)

(₹ in Lakh)

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
(i) Salaries - Shri C Ilango	21.76	13.25
(ii) Incentives for 2014-15 & Arrears for 3 yrs - Shri C Ilango	3.75	6.77
(iii) Provident Fund - Shri C Ilango	0.97	0.64
(iv) Provident Fund, Gratuity etc., - Shri K K Deb	0.00	0.76
Total	26.48	21.42

Notes forming part of the FINANCIAL STATEMENTS

24. The Company has provided 100% provision for Non-Performing assets. Additional Provision provided in the current year is ₹540.53 Lakh (previous year ₹224.77 Lakh).

25. 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)	
	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax (₹ in Lakh) (a)	15,710.51	8,624.30
Weighted average No. of shares (₹ in Lakh) (b)	266.20	208.05
Basic earnings per share (₹) (a/b)	59.02	41.45
Diluted earnings per share (₹) (a/b)	59.02	41.45
Nominal value per share (₹)	10.00	10.00

26. Disclosure required as per 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 issued by the National Housing bank.

a) Capital to Risk Assets Ratio (CRAR)

Items	(₹ in Lakh)	
	Current Year	Previous Year
i) CRAR (%)	20.69%	18.39%
ii) CRAR - Tier I Capital (%)	17.64%	15.60%
iii) CRAR - Tier II Capital (%)	3.05%	2.79%

Tier II capital includes Provision for Standard Assets.

b) Exposure to Real Estate Sector

Category	(₹ in Lakh)	
	Current Year	Previous Year
a) Direct Exposure		
(i) Residential Mortgages		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented		
-Individual Loans of & up to ₹15 Lakh.	3,95,114.42	3,11,267.59
-Individual loans above ₹15 Lakh.	5,90,167.17	4,69,137.49
(ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estate (Office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.) Exposure would also include non-fund based (NFB) limits:	79,281.49	42,672.76
(iii) Investments in Mortgage Backed Securities (MBS) and other Securitised exposures -		
a) Residential	Nil	Nil
b) Commercial Real Estate		
b) Indirect Exposure		
Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing Finance companies (HFCs)	Nil	Nil



Notes forming part of the FINANCIAL STATEMENTS

26. Disclosure required as per NHB (contd...)

c) Asset Liability Management

Maturity Pattern of Certain items of Assets & Liabilities as on March 31, 2016

(₹ in Lakh)

	In Days			In Months								Total
	1-14	15-30	30-60	>2M=3M	>3M=6M	>6M=12M	>1Y=3Y	>3Y=5Y	>5Y=7Y	>7Y=10Y	>10Y	
Liabilities												
Borrowings from Banks	0	5	5	505	516	2,282	59,421	59,892	47,373	21,833	10,199	2,02,031
Borrowings from NHB	10,747	0	0	0	12,039	24,004	92,776	86,996	59,735	39,937	27,271	3,53,505
Market Borrowings- Deposits	1,821	318	994	836	2,119	8,882	4,547	2,563	17	0	0	22,097
NCD/CP	0	0	20,000	7,500	42,500	65,000	1,35,000	39,000	0	10,000	0	3,19,000
Assets												
Advances	5,330	0	5,352	5,692	16,605	34,812	1,42,708	1,43,884	1,50,398	1,98,559	3,60,974	10,64,314
Investments	0	0	0	520	345	540	494	500	0	0	500	2,899

27. Particulars of dividend paid to Non-resident shareholders:

(₹ in Lakh)

Year in which dividend paid	2015-16	2014-15
No of Shareholders	574	208
No of Shares held	2,38,870	1,90,817
Gross amount of Dividend (Rupees)	16,72,090	12,40,311

28. Disclosure on Employee Benefits - AS 15 Revised

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

(₹ in Lakh)

Sl. No.	Particulars	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
		15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Present value of Projected Benefit obligation as on 01/04/14 & 01/04/15	792.82	672.86	2,028.06	1,602.12	52.41	43.92	0.00	0.00	479.14	390.83
2	Service Cost	37.26	30.04	418.82	353.54	5.44	4.36	65.43	46.52	24.94	33.02
3	Interest Cost	60.74	60.37	190.62	148.37	4.09	3.95	0.00	0.00	34.84	19.04
4	Past Service Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5	Actuarial Gains (+) Losses (-)	(5.35)	33.72	0.44	(0.60)	9.11	0.17	0.00	0.00	221.56	84.01
6	Benefit Paid	28.19	4.16	141.08	75.38	0.00	0.00	0.00	0.00	65.01	(47.76)
7	Present Value of Projected Benefit Obligations as on 31/03/15 & 31/03/16 (1+2+3+4+5-6)	857.28	792.82	2,496.86	2,028.05	71.05	52.41	65.43	46.52	695.47	479.14

Notes forming part of the FINANCIAL STATEMENTS

28. Disclosure on Employee Benefits - AS 15 Revised (contd...)

ii. Expenses recognised in the Statement of Profit and Loss Account for the year ended March 31, 2016

(₹ in Lakh)

Sl. No.	Particulars	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
		15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Service Cost	37.26	30.04	418.82	353.54	5.44	4.36	65.43	46.52	24.94	19.04
2	Past Service Cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3	Interest Cost	60.74	60.37	190.63	148.37	4.09	3.95	0.00	0.00	34.84	33.03
4	Actuarial Gains (-) Losses (+)	(1.79)	43.64	34.45	22.33	9.11	0.17	0.00	0.00	221.56	84.01
5	Expected Return on Plan Assets	10.51	15.53	198.69	160.10	0.00	0.00	0.00	0.00	0.00	0.00
6	Benefits paid	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
7	Amount charged to Employees remuneration And benefits & other Expenses (1+2+3+4-5-6)	85.70	118.52	445.21	364.14	18.64	8.49	65.43	46.52	281.34	136.07

iii. Reconciliation of Opening Balances and Closing Balances of Plan Assets

(₹ in Lakh)

Sl. No.	Particulars	Gratuity		Exempt PF		Sick Leave		LTC		Long Term Compensated Absence	
		15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15	15-16	14-15
1	Opening Balance	175.82	165.58	1,986.51	1,571.19	0.00	0.00	0.00	0.00	0.00	0.00
2	Expected Return	10.51	15.53	198.69	160.10	0.00	0.00	0.00	0.00	0.00	0.00
3	Actuarial Gains (+) Losses (-)	(3.56)	(9.92)	(34.01)	(22.93)	0.00	0.00	0.00	0.00	0.00	0.00
4	Contribution by employees	0.00	8.80	418.82	353.54	0.00	0.00	0.00	0.00	65.01	47.76
5	Benefits paid	28.19	4.16	141.08	75.38	0.00	0.00	0.00	0.00	65.01	47.76
6	Closing balance (1+2+3+4-5)	154.58	175.82	2,428.93	1,986.51	0.00	0.00	0.00	0.00	0.00	0.00

iv. Actuarial Assumptions

(₹ in Lakh)

Sl. No.	Description	As on March 31, 2016	As on 31st March 2015
1	Discount Rate per annum	7.90%	7.80%
2	Rate of Return on Plan Assets	Gratuity 8.00% Exempted PF 9%	Gratuity 6.50% Exempted PF 9%
3	Mortality Rate	Indian Assured Lives (1994-96) Ultimate Table	Indian Assured Lives (1994-96) Ultimate Table
4	Withdrawal rates (per annum)	5.00%	9.58%
5	The estimates of future salary increases considered in actuarial valuation, take into account escalation, inflation, seniority, Promotion and other relevant factors	8.50% for the next five years	7.00% for the next five years

29. Segment Reporting – There are no separate reportable segments as per Accounting Standard on Segment Reporting (AS-17) as the company's primary business is of housing finance.

30. 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:

Notes forming part of the FINANCIAL STATEMENTS

30 (contd...)

(A) Related Parties:

Canara Bank	Sponsor Bank
Canbank Factors Ltd.	Subsidiaries of Canara Bank
Canbank Computer Services Ltd.	
Canbank Financial Services Ltd.	
Canbank Venture Capital Fund	
Canara Bank Securities Ltd	
Canara Robeco Asset Management Company Ltd.	Joint Venture with Canara Bank
Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd.	

(B) Key Management Personnel:

Shri C. Ilango - 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)

Sl. No.	Related Party	Nature of Transaction	2015-16	2014-15
1	Canara Bank	Term Loans & other credit facilities	1,71,298.03	2,22,057.67
		Interest paid for the year	16,443.03	23,457.11
		Deposits	1,405.00	460.00
		Interest earned for the year	76.35	48.28
		Rent paid for the year	40.65	36.47
		Bank charges for the year	41.94	27.19
		Sitting Fees to Directors	2.64	2.50
		Salary of Managing Director/s	26.48	21.42
		Other Payments for the year	4.95	2.57
		Rent Received from Bank	1.09	1.48
		Guarantee in respect of Rights Issue to BSE	139.00	138.28
2	Canbank Computer Services Ltd	Registrar & Transfer Agency charges for the year	16.10	6.23
		IT Services	0.00	0.00
		Other Services	0.00	0.00
3	Canara Bank Employee Pension Fund	Borrowings by way of SRNCD	1,000.00	0.00
Total			1,90,495.26	2,46,259.20

(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

- 31.** The National Housing Bank has levied penalty of NIL/- (previous year ₹2,000/-) for a single instance of delayed submission of one Statutory Return.
- 32.** There were no adverse comments on the company by the National Housing Bank on Regulatory compliance, which requires disclosure.
- 33.** The Company has constituted Corporate Social Responsibility (CSR) Committee to prescribe CSR policies and its implementation as per the section 135 of Companies Act, 2013. The CSR policy has been approved by the Committee on January 19, 2015 and the Board of Directors on January 20, 2015 and the same is already uploaded in the Company's website. The total amount to be spent under the CSR for the FY15-16 is to the extent of ₹372.00 Lakh (including the unspent amount of ₹158.90 Lakh for FY 14-15). The Company has so far spent ₹108.72 Lakh (previous year ₹ 3.10 Lakh), during the year. The balance unspent amount of ₹263.28 Lakh (previous year ₹158.90 Lakh), will be carried forward to FY 16-17.
- 34.** The Company has complied with requirements as per Para 29 of the Housing Finance Companies (NHB) Directions 2010.
- 35.** Previous year figures have been rearranged / regrouped wherever necessary to correspond with the current year's classification/ disclosure.

For **K P Rao & Co,**
Chartered Accountants
FR NO-003135S

K.N.Prithviraj
Chairman

C Ilango
Managing Director

P.B.Santhanakrishnan
Director

K. Viswanath
Partner
Membership No: 022812

S.A.Kadur
Director

T.V.Rao
Director

P.V.Bharathi
Director

Place: Bengaluru
Date: April 28, 2016

SK Hota
Whole time Director

Bharati Rao
Director

Atanu Bagchi
Chief Financial Officer

Veena G Kamath
Company Secretary

List of Branches AS ON MAY 2016

1. Agra

CAN FIN HOMES LTD
No.7/9, 1st Floor, Sector 9, AwasVikas
Colony, Near Kargil Petrol Pump,
SikandraBodla Road, Agra 282007
Uttar Pradesh,
Tel:0562-4008500
Email id: agra@canfinhomes.com

2. Ahmedabad

CAN FIN HOMES LTD
No.203, Samedh Building, Second Floor,
C G Road, Near Associated Petrol Pump,
Ahmedabad - 380006
Tel:079-26405312/26560759
Email id: ahmedabad@canfinhomes.com

3. Ajmer

CAN FIN HOMES LTD
Shop No. 10, First Floor,
Bhadana Complex, Nasirabad Road, Opp.
Balupura Road, Adarsh Nagar,
Ajmer - 305001
Tel: 0145-2680249
Email id: ajmer@canfinhomes.com

4. Allahabad

CAN FIN HOMES LTD
43/10, 1st Floor, Sardar Patel Marg
Civil Lines, Allahabad - 211001
Tel: 0532 2260680
Email id: allahabad@canfinhomes.com

5. Ambala

CAN FIN HOMES LTD
Showroom No.4, First Floor,
Prem Nagar, Old Delhi Road,
Ambala - 134003
Tel: 0171-2550560
Email id: ambala@canfinhomes.com

6. Baroda

CAN FIN HOMES LTD
No.4,5,6,First Floor,Plot No.24,
Spring Field Complex,
Hari Nagar Co-Operating Housing
Society,Hari Nagar Chhar Rasta,
Gotri Road,Vadodara-390021
Tel:0265-2388326/2388327
Email id: baroda@canfinhomes.com

7. Belgaum

CAN FIN HOMES LTD
Shop No. 5, Ground Floor,
Classic Manor, SomwarPeth
Tilakwadi, Belgaum - 590006
Tel: 0831 - 2464577
Email id: belgaum@canfinhomes.com

8. Bhopal

CAN FIN HOMES LTD
Plot No 1, 1st Floor, Zone 2,
M P Nagar, Bhopal-462011
Tel:0755-2577939/2577935
Email id: bhopal@canfinhomes.com

9. Bhubaneswar

CAN FIN HOMES LTD
Plot No. SCR - 44, 1st Floor,
Kharavela Nagar, Unit 3,
Bhubaneswar - 751001
Tel : 0674-2393345 /2393061
Email id: bhubaneswar@canfinhomes.com

10. BLR - Basavanagudi

CAN FIN HOMES LTD
No.29/1, 1st Floor,
Sir M N Krishna Rao Road,
Basavanagudi, Bengaluru - 560004
Tel: 080 - 26560277/41216633
Email id: basavanagudi@canfinhomes.com

11. BLR - Begur

CAN FIN HOMES LTD
No. 2 & 4, Shanti Priya Layout,
Devarachikkanahalli Road,
Behind Govt High School,
Bengaluru - 560068
Tel: 080 - 25740123
Email id: begur@canfinhomes.com

12. BLR - Bidadi

CAN FIN HOMES LTD
Sri Annapoorneshwari Complex,
1st Floor (above Canara Bank),
BGS Road, Bidadi,
Bengaluru - 562109
Tel: 080 - 27282580
Email id: bidadi@canfinhomes.com

13. BLR-Cunningham Road

CAN FIN HOMES LTD
No - 19/5, 'KAREEM TOWERS',
1st Floor, Cunningham Road,
Bengaluru-560052
Tel:080-22266430/22257906
Email id: cunninghamroad@canfinhomes.com

14. BLR-Devanahalli

CAN FIN HOMES LTD
No.19/18/2598/2431/2105, 1st Floor,
Raja Rao Complex, Opp. SBI, Tippu Sultan
Road, Devanahalli, Bengaluru-562110
Tel: 080-27682007
Email id: devanahalli@canfinhomes.com

15. BLR - Electronic City

CAN FIN HOMES LTD
"VIJAY ICON" Sr.No.61/11,
Hoskur Gate, Ananthanagar road
Electronic City, Bengaluru - 560100
Tel: 080-27833633
Email id: electroniccity@canfinhomes.com

16. BLR-Hesaraghatta road

CAN FIN HOMES LTD
No 765, 1st Floor, MEI Layout,
60 feet Road, Bagalunte,
Hesaraghatta Rd Bengaluru-560073
Tel:080-28390315
Email id: hesaraghatta@canfinhomes.com

17. BLR - HRBR Layout

CAN FIN HOMES LTD
No. 2C-707, Ground Floor, 7th Main, 2nd
Cross, 1st Block, HRBR Layout,
Bengaluru - 560043
Tel :080-25450092
Email id: hrbr@canfinhomes.com

18. BLR-Jayanagar

CAN FIN HOMES LTD
"Sajini",#69,Old no.35, Ground & I Floor,
12th Main Jayanagar, 3rd Block,
Bengaluru - 560011
Tel:080-26630776/26630501
Email id: jayanagar@canfinhomes.com

19. BLR - KR Puram

CAN FIN HOMES LTD
No- 414, Pooja Complex, 2nd Floor,
Old Madras Road, K R Puram,
Bengaluru - 560036
Tel:080-25619333
Email id: krpuram@canfinhomes.com

20. BLR - Kanakapura Road

CAN FIN HOMES LTD
No.58, 1st Floor, Sri Channakeshava Swamy
Nilaya 6th Crs, Raghuvanahalli,
Opp. IT, Kanakapura Main Road
Bengaluru - 560062
Tel : 080-69999326
Email id: kanakapura@canfinhomes.com

21. BLR-Kengeri

CAN FIN HOMES LTD
#445,Gnd Flr, 4th Main 5th Crs, Near
Shreya Hospital Kengeri Satellite
Town,Bengaluru-560060
Tel:080-28486098/99
Email id: kengeri@canfinhomes.com

22. BLR-Koramangala

CAN FIN HOMES LTD
No.586,II Floor,80 ft.road,Near
Police Station,Opp.Bethany School,
8th Block, Koramangala, Bengaluru-560095
Tel: 080- 41115689/41112879
Email id: koramangala@canfinhomes.com

23. BLR-Marathahalli

CAN FIN HOMES LTD
No 14,Ground Floor "Krishna
Towers" Outer Ring Road Cross, Marathahalli,
Bengaluru-560037
Tel:080-25401332
Email id: marathahalli@canfinhomes.com

24. BLR-Nelamangala

CAN FIN HOMES LTD
I Floor, Nandi Complex, K No.2151,
Opp. Taluk Panchayath Office, Subhash
Nagar, Nelamangala
Bengaluru - 562123
Tel: 080-27722664
Email id: nelamangala@canfinhomes.com

25. BLR-Sahakarnagar

CAN FIN HOMES LTD
116/3,First Floor,G Block
60 Feet Road,Sahakarnagar
Bengaluru-560092
Tel:080-23636425/23635730
Email id: sahakarnagar@canfinhomes.com

26. BLR - Sarjapur Road

CAN FIN HOMES LTD
No.1569, 2nd Floor, Outer Ring Road
Sector 1, HSR Layout
Bengaluru-560102
Tel : 080 - 22583623/22583643
Email id: sarjapur@canfinhomes.com

27. BLR-Uttarahalli

CAN FIN HOMES LTD
#39,Ground Floor,
Subramanyapura Main Road
Chikkalasandra, Near Prarthana School
Bengaluru-560061
Tel:080-26394003/26394009
Email id: uttarahalli@canfinhomes.com

28. BLR-Vijayanagar

CAN FIN HOMES LTD
No 148/E,I Floor, Siddalingeswara Towers,
17th Main, East Of Chord Road, Vijayanagar,
Bengaluru-560040
Tel:080-23404965/23359162
Email id: vijayanagar@canfinhomes.com

29. Calicut

CAN FIN HOMES LTD
18/1145 D, 1st Floor, K T Commercial
Complex, Jail Road,Calicut-673004
Tel-0495-2704883/2704884
Email id: calicut@canfinhomes.com

30. Coimbatore - Gandhipuram

CAN FIN HOMES LTD
439, Lawrance Complex, Cross Cut Road,
Gandhipuram, Coimbatore-641012
Tel:0422-2235977/2230163
Email id: coimbatore@canfinhomes.com

31. CBE-P N Palyam

CAN FIN HOMES LTD
City Palace, 1st Floor, Railway Feeder Road,
Near LMW, P N Palyam, Coimbatore-641020
Tel:0422-2693235
Email id: pn.palyam@canfinhomes.com

32. Chandigarh

CAN FIN HOMES LTD
SCO-87,I Floor, Sector 47-D,
Chandigarh-160047
Tel:0172-2632925, 2632097
Email id: chandigarh@canfinhomes.com

33. CHN-Ambattur

CAN FIN HOMES LTD
Old No.29A, New No.7A, Ground Floor,High
School Road, Secretariat Colony,Ambattur,
Chennai-600053,
Tel:044-26572050
Email id: ambattur@canfinhomes.com

34. CHN-Anna Salai

CAN FIN HOMES LTD
NO.770/A, Spencer Tower Annexe
Anna Salai,Chennai-600002
Tel:044-28497026/28496318
Email id: chennai@canfinhomes.com

35. CHN-Chengalpattu

CAN FIN HOMES LTD
Plot No.28, Ground Floor,
Lawyer Krishnaswamy Street, Vedachalam
Nagar, Chengalpattu - 603001
Tel :044 - 27426466
Email id: chengalpattu@canfinhomes.com

36. CHN-Perungudi

CAN FIN HOMES LTD
Ground Floor,Grihalayaloganayaki,
Plot No.17,Door No.26/62, 1st Main Road,
Tirumalai Nagar Annexe, Perungudi,
Chennai-600096
Tel : 044-24965656
Email id: omr@canfinhomes.com

37. CHN-Porur

CAN FIN HOMES LTD
44/2,Somasundaram Avenue
Sakthi Nagar Main Road, Porur
Chennai-600116
Tel:044-22520032
Email id: porur@canfinhomes.com

38. CHN-Red Hills

CAN FIN HOMES LTD
No.7, Madhavaram High Road,
(off GNT Road), Red Hills, Chennai-600052
Tel:044 26322077
Email id: redhills@canfinhomes.com

39. CHN-Sriperumbudur

CAN FIN HOMES LTD
No.122-123, I Floor, XVB Building,
Gandhi Road, Sriperumbudur - 602 105
Tel :044 - 27162188
Email id: sriperumbudur@canfinhomes.com

40. CHN-Tambaram

CAN FIN HOMES LTD
No.52,1st floor ,Raj Kamal complex,
Gandhi Road,Tambaram West
Chennai-600045
Tel:044-22260600/22260640
Email id: tambaram@canfinhomes.com

41. CHN-Thiruvallur

CAN FIN HOMES LTD
#52, I Floor, TNHB, Kakalur Main
Road,Thiruvallur - 602001
Tel : 044 - 27666161
Email id: thiruvallur@canfinhomes.com

42. Cochin

CAN FIN HOMES LTD
39/3728, Vishnupriya, Manikkiri,
M G Road,Pallimukku, Ernakulam,
Cochin-682016
Tel:0484-2356855/2356826
Email id: cochin@canfinhomes.com

43. Davangere

CAN FIN HOMES LTD
D.No.633,I Floor, K B Extension,
Opp to Bellary Siddamma Park,
Trishul Talkies Road, Davangere - 577002
Tel: 08192-270345/235006
Email id: davangere@canfinhomes.com

44. Dehradun

CAN FIN HOMES LTD
Shanthi Plaza, 1st Floor, GMS Road,
Near Wadia Institute, Dehradun-248001
Tel:0135 -2520242
Email id: dehradun@canfinhomes.com

45. Dharuhera

CAN FIN HOMES LTD
1st Floor, Opp. Municipal Office,
Sohna Road, Dharuhera - 123106, Haryana
Tel: 01274 - 242381
Email id: dharuhera@canfinhomes.com

46. Dindigul

CAN FIN HOMES LTD
#91, Sona Towers, Shop no. 21-23,
Palani Road, Dindigul - 624001
Tel: 0451 - 2433272,
Email id: dindigul@canfinhomes.com

47. Erode

CAN FIN HOMES LTD
#64/5,GRDI Complex, Second Floor,
Perundurai Road, Erode - 638011
Tel: 0424 - 2255563
Email id: erode@canfinhomes.com

48. Goa

CAN FIN HOMES LTD
307&308, III Floor, Kamat Towers
Patto, Panjim, Goa-403001
Tel: 0832-2438517,2438518
Email id: goa@canfinhomes.com

49. Guntur

CAN FIN HOMES LTD
4-1-1, 1st Floor, Gayatri Plaza,
Main Road, Koritipadu, Guntur-522007
Tel:0863-2333064
Email id: guntur@canfinhomes.com

50. Gwalior

CAN FIN HOMES LTD
1st Floor, Business Centre, Plot.No.31, Near
Income Tax,City Centre, Gwalior - 474 009
Tel: 0751-2233865
Email id: gwalior@canfinhomes.com

51. Hosur

CAN FIN HOMES LTD
Door No.74, First Floor, 3rd Cross,
Kamarajar Colony, Near Balaji
Theatre,Hosur-635109
Tel:04344-220001/220040
Email id: hosur@canfinhomes.com

52. Hubli

CAN FIN HOMES LTD
Ground Floor, Eureka Junction,
Giriraj Annexe, Circuit House Road,
Hubli-580 029
Tel:0836-2256390,2256464
Email id: hubli@canfinhomes.com

53. HYD-Gachibowli

CAN FIN HOMES LTD
D.No.2-52/88, 2nd Floor,
SaiTeja Enclave, Indira Nagar,
Gachibowli, Hyderabad - 500 032
Tel:040-23000030
Email id: gachi.bowli@canfinhomes.com

54. HYD - Kompally

CAN FIN HOMES LTD
Plot no. 1, 54 no. 12 & 24, Ganga Enclave
Pet Basheerbad, Kompally,
Hyderabad - 500067
Tel:040-27940410
Email id: kompally@canfinhomes.com

55. HYD-Kukatpally

CAN FIN HOMES LTD
Unit No-201, Vijaya Sai Towers,
Opp: BJP Office, Kukatpally Main Road,
Hyderabad - 500072
Tel :040 - 23053459/23055459
Email id: kukatpally@canfinhomes.com

56. HYD - LB Nagar

CAN FIN HOMES LTD
#3-11-413/2, Shiva Ganga Colony,
LB Nagar, Hyderabad - 500074
Tel: 040 - 49501072
Email id: lbnagar@canfinhomes.com

57. HYD-Nampally

CAN FIN HOMES LTD
Doyen Trade House, 5-9-100
Public Garden Road,
Hyderabad-500001
Tel:040-23233385/23231626
Email id: hyderabad@canfinhomes.com

58. HYD - Ramachandrapuram

CAN FIN HOMES LTD
Plot No. 28 Brahmarembika Colony,
Beeramguda,Ramachandrapuram,
Hyderabad - 502032
Tel:08455 - 280777
Email id: ramachandrapuram@canfinhomes.com

59. HYD-Tarnaka

CAN FIN HOMES LTD
12-13-416/1, 2nd Floor, Street No- 1,
Tarnaka, Secunderabad-500017
Tel:040-27005553
Email id: tarnaka@canfinhomes.com

60. Indore

CAN FIN HOMES LTD
'Kuber House', 162, 1st Floor, Kanchan Bagh
Main Road ,Indore - 452001
Tel : 0731 -2521194/95
Email id: indore@canfinhomes.com

61. Jaipur

CAN FIN HOMES LTD
Office Nos.S-14 to S-21, 2nd Floor, Hawa
Sadak, Geejgarh Towers, Jaipur-302006
Tel:0141-2211644/2211645
Email id: jaipur@canfinhomes.com

62. Jodhpur

CAN FIN HOMES LTD
No 301, III Floor, Front side,
Sabu Tower, 2nd Chopasani Road,
Jodhpur - 342001, Rajasthan.
Tel:0291-2640128
Email id: jodhpur@canfinhomes.com

63. Kakinada

CAN FIN HOMES LTD
D No 11-14-1,MU Towers, Near
Balatripura Sundari Temple, Ramaraopeta,
Kakinada-533001
Tel:0884-2377898
Email id: kakinada@canfinhomes.com

64. Kanpur

CAN FIN HOMES LTD
Block No. 63/3, Mall Road, Harbans Mohal,
Kanpur - 208001
Tel: 0512-2302067
Email id: kanpur@canfinhomes.com

65. Karimnagar

CAN FIN HOMES LTD
D.No.2-3-31, Lahoti House, 1st Floor,
Bhoiwada,Karimnagar - 505001
Tel: 0878-2243299
Email id: karimnagar@canfinhomes.com

66. Karnal

CAN FIN HOMES LTD
1st Floor, SCO-2, Sec-9, HUDA Market,
Karnal-132001, Haryana
Tel: 0184-2231555
Email id: karnal@canfinhomes.com

67. Karur

CAN FIN HOMES LTD
MM Complex, 1st Floor, 9/1, Mohan Store
Layout, Near Kannan Departmental Store,
Sengunthapuram, Karur-639002
Tel: 04324-230970
Email id: karur@canfinhomes.com

68. Khammam

CAN FIN HOMES LTD
D. No. 11 - 5 - 12/6, First Floor, Wyra Road,
Z.P. Centre, Near KVM High School,
Khammam - 507001
Tel: 08742-238161
Email id: khammam@canfinhomes.com

69. Kota

CAN FIN HOMES LTD
1-C-18, SFS, Front Side, First Floor, Sheela
Choudhary Road, Talwandi, Kota-324005
Tel:0744-2426600
Email id: kota@canfinhomes.com

70. Kumbakonam

CAN FIN HOMES LTD
No. 137, First Floor, Gandhi Adigal Salai,
Kumbakonam - 612001
Tel: 0435-2400021
Email id: kumbakonam@canfinhomes.com

71. Kurnool

CAN FIN HOMES LTD
Shop No. 18 & 19, First Floor, T. J. Shopping
Mall, SBI Circle, R. S. Road, Kurnool - 518004
Tel: 08518-222335
Email id: kurnool@canfinhomes.com

72. Lucknow

CAN FIN HOMES LTD
#3,Shahnajaf Road, 1st Floor, Speed Building,
Heazrat Ganj, Lucknow-226001
Tel : 0522-4065123/2230331
Email id: lucknow@canfinhomes.com

73. Madurai

CAN FIN HOMES LTD
564/1,Ground Floor, Sakthi Towers
12th East Cross Street, Behind Naveen
Bakery, Anna Nagar, Madurai-625020
Tel:0452-2524400/2539799
Email id: madurai@canfinhomes.com

74. Mandya

CAN FIN HOMES LTD
No.1689, 1st Floor, 100 Feet Road (Double
Road), Vidyanagar, Mandya - 571401
Tel: 0823 - 2222454
Email id: mandya@canfinhomes.com

75. Mangalore

CAN FIN HOMES LTD
Ground Floor, Canara Bank Building
Balmatta Road,Mangalore-575001
Tel:0824-2440193/2442593
Email id: mangalore@canfinhomes.com

76. Meerut

CAN FIN HOMES LTD
#5,Pinnacle Tower, First Floor, Vaishali
Corner, Ghar Road, Meerut - 250002
Tel: 0121-4060006
Email id: meerut@canfinhomes.com

77. MUM-Borivali

CAN FIN HOMES LTD
No.101, First Floor, 'Ganjawalla Elegance'.
Opp State Bank of Patiala,Ganjanwalla Lane,
Borivali West, Mumbai-400 092
Tel: 022-28924369/28925385/
Email id: mumbai@canfinhomes.com

78. MUM-Kalyan

CAN FIN HOMES LTD
Unit No. 1, 1st Floor, Om Supreme Building,
Rambhau Patwardhan Road, Near D-Mart,
Bail Bazar, Kalyan (W) - 421301
Tel: 0251-2304040
Email id: kalyan@canfinhomes.com

79. MUM-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
Tel: 022-27459355
Email id: panvel@canfinhomes.com

80. MUM-Vashi

CAN FIN HOMES LTD
"GIRIRAJ", I Floor,SS-4/210 & 212
(OppMeghraj Multiplex), Sector-2,
Vashi, Navi Mumbai-400703
Tel: 022-27820168/27820169
Email id: navimumbai@canfinhomes.com

81. Mysore

CAN FIN HOMES LTD
No. 16, 1st Floor, Sita Vilas Road,
Near Marimallappa School,
Chamaraja Mohalla, Mysore-570024
Tel: 0821-2429699/2422377
Email id: mysore@canfinhomes.com

82. Nagpur

CAN FIN HOMES LTD
Plot No.M-3, First Floor,
West Side WHC Main Road,
Near Aath Raasta Square, Scientific Layout,
Laxminagar, Nagpur 440022
Tel: 0712-2233898-
Email id: nagpur@canfinhomes.com

83. Namakkal

CAN FIN HOMES LTD
No.387/1, Aarthi Complex, 1st Floor,
Salem Road, Namakkal - 637001
Tel: 04286-274252
Email id: namakkal@canfinhomes.com

84. Nashik

CAN FIN HOMES LTD
No.F-12, First Floor, Suyojit Sankul
Above Bafna Jewellers, Sharanpur,
Nashik - 422002
Tel:0253 2318305
E-mail id: nashik@canfinhomes.com

85. NCR-Faridabad

CAN FIN HOMES LTD
59-60, I Floor, Neelam Bata Road, NIT,
Opp. RG Stone Hospital, Faridabad - 121001
Tel : 0129 - 2436596/2436527
Email id: faridabad@canfinhomes.com

86. NCR-Gurgaon

CAN FIN HOMES LTD
SCO No. 34 & 35, I Floor,
Sector 10-A, (Above Canara Bank)
Gurgaon-122002
Tel:0124-2370760/2370035
Email id: gurgaon@canfinhomes.com

87. NCR-New Delhi

CAN FIN HOMES LTD
1ST Floor, DDA Building,
Near Paras Cinema, Nehru Place,
New Delhi-110019
Tel: 011-26435815/26430236
Email id: delhi@canfinhomes.com

88. NCR-Noida

CAN FIN HOMES LTD
Plot No. C-3, 1st Floor (Above Canara Bank)
Sector - 1, Noida - 201301
Tel : 0120-2970164 / 65 / 67
Email id: noida@canfinhomes.com

89. NCR-Pitampura

CAN FIN HOMES LTD
DP-11, 1stflr, Local Shopping Complex,
Above CB E-lounge, Pitampura,
New Delhi-110034
Tel: 011-27315619
Email id: pitampura@canfinhomes.com

90. NCR-Rohtak

CAN FIN HOMES LTD
1st Floor, Anand Plaza, Shop No.104,
Near Chottu Ram Chowk, Rohtak - 124001
Tel: 01262-257852
Email id: rohtak@canfinhomes.com

91. NCR-Sonepat

CAN FIN HOMES LTD
SCO-3, First Floor, Main Market,
Sector - 14, Sonepat - 131 001
Tel: 0130-2235101
Email id: sonepat@canfinhomes.com

92. NCR - Greater Noida

CAN FIN HOMES LTD
Shop. No - 4, 4th Floor, Plot No - 3,
S L Towers, Alpha - I, Opp. Golf Course,
Greater Noida - 201308
Tel: 0120 - 2396221
Email id: greaternoida@canfinhomes.com

93. Nellore

CAN FIN HOMES LTD
D No.15-276, 1st Floor, Above Syndicate
Bank, Brundavanam, Nellore - 524001
Tel: 0861-2334781
Email id: nellore@canfinhomes.com

94. Ongole

CAN FIN HOMES LTD
D no.7-331(4), 1st Floor, Above State Bank of
Mysore, Mangamooru Donka,
Ongole - 523002
Tel: 08592-282023
Email id: ongole@canfinhomes.com

95. Patna

CAN FIN HOMES LTD
"Deep House", 2nd Floor
Nala Road (Near Shiva Mandir)
Patna - 800004
Tel: 0612-2721046,2721047
Email id: patna@canfinhomes.com

96. Pondicherry

CAN FIN HOMES LTD
490, I Floor, M G Road, Near Chinnakady,
Pondicherry-605001
Tel: 0413-2338447/2222118
Email id: pondicherry@canfinhomes.com

97. Pune

CAN FIN HOMES LTD
101, Uma Apartment, CTS-2027,
Tilak Road, Near S P College, 1st Floor,
Sadashivpet, Pune-411030
Tel: 020-24321030/24321031
Email id: pune@canfinhomes.com

98. Raipur

CAN FIN HOMES LTD
Sai Towers Building, I Floor
Besides Azad Chowk Police Station,
Amapara, G E Road, Raipur - 492001
Tel: 0771-2531100/4097077
Email id: raipur@canfinhomes.com

99. Rajahmundry

CAN FIN HOMES LTD
D.No. 75-6-38, First Floor,
North East Corner, B.V.R. Complex,
Prakash Nagar, Main Road,
Rajahmundry - 533103
Tel: 0883-2474781
Email id: rajahmundry@canfinhomes.com

100. Salem

CAN FIN HOMES LTD
#1, Johnson pet Road, Hastampatty,
Salem-636007
Tel: 0427-2420017
Email id: salem@canfinhomes.com

101. Shimoga

CAN FIN HOMES LTD
No.599, 1st Floor, Maruthi, 60 Feet Main
Road, Police Chowki Circle, Vinobanagar,
Shimoga - 577 204
Tel: 08182-254110
Email id: shimoga@canfinhomes.com

102. Thoothukudi

CAN FIN HOMES LTD
No. 69D/4, Diya Corner, First Floor, Second
Street, Thoothukudi- 628003
Tel: 0461-2333636
Email id: thoothukudi@canfinhomes.com

103. Tiruchengode

CAN FIN HOMES LTD
No.86/17, Royal Towers, Sankari Main Road,
Seetarampalayam (Post)
Tiruchengode - 637209
Tel: 04288-255057
Email id: tiruchengode@canfinhomes.com

104. Tirunelveli

CAN FIN HOMES LTD
Thiripura Arcade, III Floor, No.75-A,
Trivandrum High Road, Palayamkottai,
Tirunelveli - 627002
Tel: 0462 - 2578567
Email id: tirunelveli@canfinhomes.com

105. Tirupathi

CAN FIN HOMES LTD
D No.19-8-169, SBI Colony,
Near Vijaya Bharathi TVS Show Room
Tirupathi - 517501
Tel: 0877-2242692
Email id: tirupathi@canfinhomes.com

106. Tirupur

CAN FIN HOMES LTD
No.302/3, First Floor, Above Canara Bank,
Palladam Road, Tirupur 641604, Tamil Nadu
Tel: 0421 - 2215977
Email id: tirupur@canfinhomes.com

107. Trichur

CAN FIN HOMES LTD
1st Floor, Marva Arcade,
Machingal Lane, M G Road,
Trichur-680001
Tel: 0487-2332421/2331952
Email id: trichur@canfinhomes.com

108. Trichy

CAN FIN HOMES LTD
B-11, 2nd Floor, Star Towers
Thillai Nagar, Trichy-620018
Tel : 0431-2744100/2744200
Email id: trichy@canfinhomes.com

109. Trivandrum

CAN FIN HOMES LTD
No.28/2452, Ground Floor, M G Road
Trivandrum-695001
Tel:0471-2477446/2461446
Email id: trivandrum@canfinhomes.com

110. Tumkur

CAN FIN HOMES LTD
I Floor, Sri Seetharama Temple Bldg.
Someswarapura Main Road
Tumkur-572102
Tel: 0816-2251514
Email id: tumkur@canfinhomes.com

111. Udaipur

CAN FIN HOMES LTD.
No-101, First Floor, Plot No-643,
Subhash Villa Hiranmagri Sec 13,
Udaipur- 313001
Tel: 0294-2485770
Email id: udaipur@canfinhomes.com

112. Udupi

CAN FIN HOMES LTD
"Shri Malshi" 1st Floor , Court Back Road
Udupi - 576101
Tel :0820 - 2520644
Email id: udupi@canfinhomes.com

113. Varanasi

CAN FIN HOMES LTD
D-58/12, A-2, Second Floor, "Jasmaa"
Complex, Above KsheerSagar, Gandhinagar,
Sigra, Varanasi - 221010
Tel: 0542 2220221
Email id: varanasi@canfinhomes.com

114. Vellore

CAN FIN HOMES LTD
#99D, Vellore Road, Katpadi,
Vellore - 632007
Tel: 0416-2242013
Email id: vellore@canfinhomes.com

115. Vijayawada

CAN FIN HOMES LTD
1st Floor, D No.40-5-19/17, Near Siddhartha
College Bus Stop, Mogalrajpuram,
Vijayawada - 520 010
Tel: 0866-2474781/2481731
Email id: vijayawada@canfinhomes.com

116. Virudhunagar

CAN FIN HOMES LTD
Door No.7/3 B, First Floor, A P V
Complex, Pullukaorani Road,
Virudhunagar - 626001
Tel: 04562-246566
Email id: virudhunagar@canfinhomes.com

117. Visakhapatnam

CANFIN HOMES LTD
Gnd floor, DN: 48-8-4, Behind Titan Showroom
, Chaitanya College Lane, Dwarakanagar,
Visakhapatnam-530016
Tel: 0891-2746736, 2591167
Email id: visakhapatnam@canfinhomes.com

118. Vizag Steel Plant

CAN FIN HOMES LTD
D.No.31- 27 -56/7, 1st Floor,
Opp. Annapurna Theatre, Urmannapalem,
Visakhapatnam - 530046.
Tel: 0891 -2747599
Email id: vizagsteelplant@canfinhomes.com

119. Vizianagaram

CAN FIN HOMES LTD
Plot No. 8 D.No.8-12-5, Ground Floor,
Opp. CTO Office, Siddharthanagar,
Vizianagaram- 535002
Tel: 08922-237599
Email id: vizianagaram@canfinhomes.com

120. Warangal

CAN FIN HOMES LTD
Kandakatla's Gateway, H No.15-11-503
& 504K U Road, Nainnagar, Hanamkonda
Warangal - 506001
Tel: 0870-2442166
Email id: warangal@canfinhomes.com

List of Satellite Offices AS ON MAY 2016

1. Aluva Satellite Office (Cochin)

CAN FIN HOMES LTD
D.No.352/2, 1st Floor, Alookaran Complex,
Market Road, Aluva - 683101
Tel: 0484 2632826
Email id: aluva@canfinhomes.com

2. Batlagundu Satellite Office(Dindigul)

CAN FIN HOMES LTD
5 - 1, Anu Towers, First Floor, Madurai Main
Road, Near Kaliamma Temple, Opp. SBI,
Batlagundu- 624202
Tel: 04543-245057
Email id: batlagundu@canfinhomes.com

3. Attibele Satellite Office (Electronic City)

CAN FIN HOMES LTD
Site no.1, D-1014, First Floor,
Opp. Syndicate Bank, Attibele Circle,
Sarjapur Road, Attibele, Bengaluru - 562107
Tel: 080-27844440
Email id: attibele@canfinhomes.com

4. Bannerghatta Road Satellite Office(Jayanagar)

CAN FIN HOMES LTD
No.4-16/44/1, I Floor, Anugraha
Building, Singh Layout, Arekere, Near
Paramount Apts, Bannerghatta Road,
Bengaluru - 560076
Tel: 080 26484338
Email id: bgroad@canfinhomes.com

5. Cox Town Satellite Office (Cunningham)

CAN FIN HOMES LTD
47, Ground Floor, Wheeler Road, Coxtown,
Bengaluru - 560005
Tel: 080 2546622
Email id: coxtown@canfinhomes.com

6. Doddaballapura Satellite Office (Devanahalli)

CAN FIN HOMES LTD
Shop No.1, Ground Floor, Ganeshappa
Complex, (Near Canara Bank), Palanajogihalli,
Gowribidanur Road, Mallathhalli,
Doddaballapur - 561203
Tel: 080 27622134
Email id: doddaballapur@canfinhomes.com

7. Magadi Road Satellite Office (Vijayanagar)

CAN FIN HOMES LTD
No.85, 1st Floor, SLV Temple
Road, Anjanagara, Magadi Main Road,
Bengaluru - 560091
Tel: 080-23486644
Email id: magadiroad@canfinhomes.com

8. Ramnagaram Satellite Office (Bidadi)

CAN FIN HOMES LTD
Sadvi Complex, 1st Floor, # 3 1106/624/1,
1st Vivekananda Nagar, B. M. Road,
Ramanagaram - 562159
Email id: ramanagaram@canfinhomes.com

9. Vidyananyapura Satellite Office (Sahakarnagar)

CAN FIN HOMES LTD
101, Ground Floor, II Main, III Cross,
AMS Layout, Vidyananyapura,
Bengaluru - 560097
Tel: 080-23649967
Email id: vidyananyapura@canfinhomes.com

10. Yelahanka Satellite Office (Sahakarnagar Main Branch)

No.1099, 1st Floor, 1st B Main Road,
16th B Cross, Yelahanka
Bengaluru-560064
Tel: 080-28564502
Email id: yelahanka@canfinhomes.com

11. Yeshwanthpur Satellite Office (Cunningham Road)

CAN FIN HOMES LTD
S No.7, No.580, Grnd Floor, Ramachandra
Complex, 9th Cross, 1st Main,
Yeshwanthpur, Bengaluru - 560022
Tel: 080-23370023
Email id: yeshwanthpur@canfinhomes.com

12. Whitefield Satellite Office (Marathahalli)

CAN FIN HOMES LTD
No.1, 1st Floor, Hagadur Colony,
Immadihalli Main Road, Near Rama Temple,
Whitefield, Bengaluru - 560066
Tel: 080 28454501
Email id: whitefield@canfinhomes.com

13. Arakkonam Satellite Office (Thiruvallur)

CAN FIN HOMES LTD
No.89/2, First Floor, Gandhi Road - 5,
Arakkonam - 631003
Tel: 04177 238010
Email id: arakkonam@canfinhomes.com

14. Guduvancherry Satellite Office (Tambaram)

CAN FIN HOMES LTD
No. 202, 27E, Ground Floor, GST Road,
Guduvancherry - 603202
Tel: 044-27461224
Email id: guduvancherry@canfinhomes.com

15. Kanchipuram Satellite Office (Sriperembudur)

CAN FIN HOMES LTD
No.44 & 45, 1st Floor, Saravana Complex,
VilakkadiKoil street,
Near Rangaswamy Kulam, Opp. Anna Library,
Kanchipuram - 631501, Tamil Nadu
Ph: 044 - 27230786
Email id: kanchipuram@canfinhomes.com

16. Thirumazhisai Satellite Office (Porur)

CAN FIN HOMES LTD
Old No.24, New No.32, Pillaiyar Koil Street,
Thirumazhisai, Chennai 600124
Tel: 044-26811645
Email id: thirumazhisai@canfinhomes.com

17. Cuddalore Satellite Office(Pondicherry)

CAN FIN HOMES LTD
106, First Floor, Nethaji Road,
Manjakuppam, Cuddalore- 607001
Tel: 04142-232323
Email id: cuddalore@canfinhomes.com

18. Dharwad Satellite Office(Hubli)

CAN FIN HOMES LTD
1, First Floor, Diamond Corner Complex,
Near Maruti Temple, Line Bazar,
Dharwad- 580001
Tel: 0836-2443507
Email id: dharwad@canfinhomes.com

19. Durg Satellite Office (Raipur)

CAN FIN HOMES LTD
Trilok Plaza, Mezzanine Floor,
Opp Dr. Dhillon's Clinic, Durg,
Gurudwara Road, Chhatisgarh - 491001
Tel: 0788 -4083067
Email id: durg@canfinhomes.com

20. Ghaziabad Satellite Office (NCR New Delhi)

CAN FIN HOMES LTD
No.GF-5, Ground Floor,
Ansal Shivam Market Complex, RDC
Rajnagar, NCR-Ghaziabad - 201002
Tel: 0120 - 2825555
Email id: ghaziabad@canfinhomes.com

21. Gobichettipalayam Satellite Office (Erode)

CAN FIN HOMES LTD
Block C, Room No.23A/3, 1st Floor,
Senthankanthan Complex, Opp TNSTC Depo,
Erode Road, Gobichettipalayam
Erode - 638 476, Tamil Nadu
Tel: 04285-222446
Email id: gobichettipalayam@canfinhomes.com

**22. Gollapudi Satellite Office
(Vijayawada Main Branch)**

CAN FIN HOMES LTD
D No.3-70, Opp Tamil Nadu Mercantile Bank
Ltd, Gollapudi, Vijayawada - 521225
Tel: 0866 - 6888668
Email id: gollapudi@canfinhomes.com

**23. Gugai Satellite Office
(Salem)**

CAN FIN HOMES LTD
No.28, 1st Floor, Trichy Main Road,
Opp.Old Prabhat Theatre,
Gugai, Salem - 636006
Tel: 0427-2464600
Email id: gugai@canfinhomes.com

**24. A S Rao Nagar Satellite Office
(Hyd-Taranaka)**

CAN FIN HOMES LTD
1st Floor, D.No.1-8-4/2, North Kamalanagar
Hyderabad - 500 062
Tel: 040-27148161
Email id: asraonagar@canfinhomes.com

**25. Ghatkesar Satellite Office
(Nampally)**

CAN FIN HOMES LTD
1 - 130/1, P & T Colony, Beside Kakatiya
Hospital, Medipally, Ghatkesar - 500098
RR Dist. Telangana
Email id: ghatkesar@canfinhomes.com

26. Sangareddy Satellite office (RC Puram)

CAN FIN HOMES LTD
Shop No. 6, House No. MIG - 31, Phase II,
Gram Panchayat No. 2 - 66, Pothireddypally
Village, Sangareddy Mandal - 502001
Medak Dist.
Tel: 08455 277550
Email id: sangareddy@canfinhomes.com

27. Kangeyam Satellite Office(Tirupur)

CAN FIN HOMES LTD
5G, First Floor, Rajaji Street,
Above Indian Bank, Kangeyam, Tirupur Dist
Tel: 04257-221414
Email id: kangeyam@canfinhomes.com

**28. Kazhakuttom Satellite Office
(Trivandrum)**

CAN FIN HOMES LTD
No.2, Ground Floor., SS Complex,
Near Police Station
Kazhakuttom, Trivandrum - 695001
Tel: 0471 - 2415446
Email id: kazhakuttom@canfinhomes.com

29. Koyilandy Satellite Office(Caliut)

CAN FIN HOMES LTD
D. No. 24/196, First Floor, OVK Tower,
Thazhangadi Road, Koyilandy,
Calicut - 673630
Tel: 0496-2631365
Email id: koyilandy@canfinhomes.com

30. Komarapalayam Satellite Office (Erode)

CAN FIN HOMES LTD
299/P, First Floor, Raja Chellam Complex,
Salem Main Road, Near Saravana Theatre,
Komarapalayam - 638183,
Namakkal Dist
Tel: 04288 265336
Email id: komarapalayam@canfinhomes.com

**31. Mandideep Satellite Office
(Bhopal)**

CAN FIN HOMES LTD
B-202, First Floor, Indra Nagar, Mandideep,
Bhopal - 462046
Tel: 07480-233922
Email id: mandideep@canfinhomes.com

**32. Manesar Satellite Office
(Gurgaon)**

CAN FIN HOMES LTD
Raheja Square, First Floor, Shop No. F - 14,
Manesar - 122051. Haryana
Tel: 0124-2290152
Email id: manesar@canfinhomes.com

**33. Mansarovar Satellite Office
(Jaipur)**

CAN FIN HOMES LTD
No.5, Ground Floor, RHB Shopping Center,
Meera Marg, Mansarovar, Jaipur- 302020
Tel :0141-2974555
Email id: mansarovar@canfinhomes.com

**34. Mettupalayam Satellite Office (P N
Palayam)**

CAN FIN HOMES LTD
5/646, First Floor, Suthanthirapuram,
Karamadai Road, Mettupalayam
Coimbatore - 641301
Tel: 04254 223563
Email id: mettupalayam@canfinhomes.com

**35. Neyyattinkara Satellite Office
(Trivandrum)**

CAN FIN HOMES LTD
XII / 504 - E, First Floor, Asif Centre,
Alummoodu, Neyyattinkara
Trivandrum - 695121
Tel: 0471 220117
Email id: neyyattinkara@canfinhomes.com

**36. Oddanchatram Satellite Office
(Dindigul)**

CAN FIN HOMES LTD
276/1 - 9, Sri SriSakthi Complex,
First Floor, Opp: Bus Stand,
Oddanchatram- 624619
Tel: 04553-244196
Email id: oddanchatram@canfinhomes.com

37. Palwal Satellite Office (Faridabad)

CAN FIN HOMES LTD
First Floor, Ashirwad Plaza,
Opp Nishant Public School Rasolpur Road,
Palwal - 121102
Tel: 01275-240033
Email id: palwal@canfinhomes.com

**38. Peelameedu Satellite Office
(Coimbatore-Gandhipuram)**

CAN FIN HOMES LTD
No.88, 'D', First Floor, E S Corner,
Avinashi Road, Hope College,
Coimbatore 641004
Tel: 0422-2591563
Email id: peelameedu@canfinhomes.com

39. Perambalur Satellite Office (Trichy)

CAN FIN HOMES LTD
20/1, First Floor, Sai Complex,
Near Collectorate Arch, Near New Bus Stand,
Perambalur - 621212
Tel: 04328 225100
Email id: perambalur@canfinhomes.com

40. Pithampur Satellite Office(Indore)

CAN FIN HOMES LTD
"Sudarshan" Complex, Shop No.D.U.G.F.- 50,
Mhow Neemuch Road, Sector No.1,
Dhar
Tel: 01292-298273
Email id: pithampur@canfinhomes.com

41. Pudukkottai Satellite Office (Trichy)

CAN FIN HOMES LTD
5520/1, Ground Floor, South 4th Street,
Pudukkottai- 622001
Tel: 04322 230100
Email id: pudukkottai@canfinhomes.com

42. Rewari Satellite Office(Dharuhera)

CAN FIN HOMES LTD
SCO - 119, First Floor, Brass Market
Rewari - 123401 Haryana
Tel: 01274-223015
Email id: rewari@canfinhomes.com

**43. Saravanampatti Satellite Office
(Gandhipuram)**

CAN FIN HOMES LTD
No.17, First Floor, VNM Building,
Vilankurichi Road,
Near Gandhipuram Sub Registrar's Office,
Coimbatore - 641035, Tamil Nadu
Tel: 044 27230786/0422 2666177
Email id: saravanampatti@canfinhomes.com

44. Shoranur Satellite Office (Trichur)

CAN FIN HOMES LTD
Malutty Shopping Corner,
Post Office Road,
Shoranur - 679121, Palakkad
Tel: 0466-2224440
Email id: shoranur@canfinhomes.com

45. Tenali Satellite Office (Guntur)

CAN FIN HOMES LTD
H.No.9-94/1, Railway Station Road,
Angalakuduru, Tenali - 522 211
Andhra Pradesh
Tel: 08644 225838
Email id: tenali@canfinhomes.com

**46. Thanisandra Satellite Office
(HRBR)**

CAN FIN HOMES LTD
No.1, Ground Floor, 5th Main Road,
Central Excise Layout,
Shivaram Karanth Nagar,
Bengaluru- 560077
Tel:080-28443415
Email id: thanisandra@canfinhomes.com

**47. Thirumangalam Satellite Office
(Madurai)**

CAN FIN HOMES LTD
D.No.46/1, HDFC Bank Building,
Opp MEPCO Schlenk Primary School,
Madurai Main Road,
Thirumangalam - 625706
Madurai District
Tel: 04549-282499
Email id: thirumangalam@canfinhomes.com

**48. Thiruverambur Satellite Office
(Trichy)**

CAN FIN HOMES LTD
No.9 & 10, Riyaz Complex,
1st Floor,Erumbeeswarar Nagar,
Trichy - 620013
Tel:- 0431 2511100
Email id: thiruverambur@canfinhomes.com

49. Velur Satellite Office (Karur)

CAN FIN HOMES LTD
No.13(1), First Floor, Old Bypass Road,
Paramithi, Velur - 638182
Tel: 04268-222068
Email id: velur@canfinhomes.com

**50. Villupuram Satellite Office
(Pondicherry)**

CAN FIN HOMES LTD
Shop No. 31, Ground Floor, Gubher Plaza,
Trichy Main Road, Villupuram - 605602
Tel: 04146 223234
Email id: villupuram@canfinhomes.com

FORWARD LOOKING STATEMENT

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 realized, 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 materialize, 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

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Registered Office

No. 29/1, 1st Floor, M N Krishna Rao Road
Near Lalbagh West Gate, Basavanagudi,
Bengaluru - 560 004