



Registered Office

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Notice of the 33rd Annual General Meeting

NOTICE is hereby given that the THIRTY THIRD ANNUAL GENERAL MEETING OF THE MEMBERS OF CAN FIN HOMES LIMITED will be held at 11:00 A.M. on Wednesday the August 26, 2020 through Video Conference (VC) or Other Audio Visual Means (OAVM), to transact the following business:

ORDINARY BUSINESS

Agenda No.1 - Adoption of accounts

To receive, consider and adopt the audited financial statements, including Balance Sheet as at March 31, 2020 and statement of the Profit and Loss account of the Company for the year ended that date together with the reports of Directors and Auditors thereon.

Agenda No.2 - Declaration of dividend

To declare a dividend of ₹2/- per equity share for the financial year ended March 31, 2020.

Agenda No.3 – Re-appointment of Shri Debashish Mukherjee as Director

To appoint a director in the place of Shri Debashish Mukherjee (DIN-08193978), Director, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

As Ordinary Resolution(s)

Agenda No.4 – Appointment of Shri Girish Kousgi as Managing Director & CEO

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s), as an Ordinary Resolution:

“RESOLVED THAT Shri Girish Kousgi (DIN-08524205), be and is hereby appointed as a Director of the Company.”

“RESOLVED FURTHER THAT pursuant to the provisions of sections 152, 196, 197, 203 and all other applicable provisions, if any,

of the Companies Act, 2013, the Companies (Appointment and Remuneration of Managerial personnel) Rules, 2014 and any other Rules thereunder read with Schedule V of the said Act, SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, and the related articles of the Articles of Association of the Company, as amended from time to time, approval of the members of the Company be and is hereby accorded for the appointment of Shri Girish Kousgi (DIN-08524205) as the Managing Director & CEO of the Company for a tenure of 5 (five) years from September 05, 2019 to September 04, 2024, upon the terms and conditions, including remuneration, as specifically set out in the explanatory statement annexed hereto, with liberty to the Board of Directors (hereinafter referred to as “the Board” which term shall include the Nomination Remuneration & HR Committee of the Board) of the Company, to alter and vary the terms and conditions of appointment, from time to time, in such manner as may be agreed to between the Board and Shri Girish Kousgi.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such agreements, documents, instruments and writings, as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid resolutions.”

Agenda No.5 - Appointment of Shri. Satish Kumar Kalra as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 149 and 152 and all other applicable provisions of the Companies Act, 2013, if any, the Companies Amendment Acts and the Rules made

thereunder read with Schedule IV of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof) Shri Satish Kumar Kalra (DIN-01952165), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Shri Satish Kumar Kalra for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a tenure upto the conclusion of the Annual General Meeting of the Company of the year 2022-23 and whose office shall not be liable to retire by rotation."

Agenda No.6 – Appointment of Smt Shubhalakshmi Panse as an Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 149 and 152 and all other applicable provisions of the Companies Act, 2013, if any, the Companies Amendment Acts and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 and applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof) Smt Shubhalakshmi Panse (DIN-02599310), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Smt Shubhalakshmi Panse for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for a tenure upto the conclusion of the Annual General Meeting of the Company of the year 2022-23 and whose office shall not be liable to retire by rotation."

Agenda No.7 – Appointment of Shri Lingam Venkata Prabhakar as a Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 and related rules (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof) Shri Lingam Venkata Prabhakar (DIN-08110715) who has been appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and Article 25.6 of the Articles of Association of the Company and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, signifying their intention to propose Shri Lingam Venkata Prabhakar as a candidate for the office of

director, be and is hereby appointed as a Director of the Company liable to retire by rotation, for a tenure upto December 31, 2022."

Agenda No.8 - Acceptance of deposits from public

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to the Housing Finance Companies (NHB) Directions, 2010 issued under National Housing Bank Act, 1987 and/or Reserve Bank of India (RBI) and guidelines issued from time to time and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof), as applicable, for acceptance of deposits from public, to the extent not exceeding 3 (three) times of the net owned funds or such other limits prescribed by NHB/RBI from time to time, and deposits from others, provided that the total amount upto which aggregate money(ies) borrowed by the Board of Directors of the Company together with the deposits so accepted from the public and others, shall not exceed the limit approved by the Company in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013."

As Special Resolution(s)

Agenda No.9 - To borrow amounts not exceeding ₹27,500 Crore

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT in supersession of the resolutions passed at the Thirty Second Annual General Meeting of the Company held on July 17, 2019, the consent of the Company be and is hereby accorded, pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof and the Articles of Association of the Company, to the Board of Directors of the Company to continue to borrow from time to time any money(ies) as they deem requisite and/or expedient for the purpose of the business of the Company, notwithstanding that the money(ies) to be borrowed together with money(ies) already borrowed by the Company would exceed the aggregate of paid-up share capital, free reserves and securities premium of the Company, provided that the total amount upto which money(ies) borrowed by the Board of Directors of the Company at any time, including the temporary loans obtained from the Company's bankers in the ordinary course of business, shall not exceed ₹27,500 Crore (Rupees Twenty Seven Thousand and Five Hundred Crore only)."

Agenda No.10 - Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount not exceeding ₹4000 Crore, on private placement

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as Special Resolution:

“RESOLVED THAT subject to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Rules, 2008, Foreign Exchange Management Act, 1999, Directions/ Guidelines/Circulars issued by National Housing Bank or Reserve Bank of India or any other statutory / regulatory authorities from time to time, including any amendment(s), modification(s), variation(s) or re-enactment(s) thereof, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee thereof) for issuance of Redeemable, Secured or Unsecured Non-Convertible Debentures (NCDs)/bonds, subordinated debt in the nature of Tier II NCDs/bonds, onshore and/or offshore, denominated in Indian Rupees and/or any Foreign Currency, for cash, either at par or premium or at a discount to face value, upto an amount not exceeding ₹4,000 Crore (Rupees Four Thousand Crore only) under one or more information memorandum / shelf disclosure document, on private placement basis, in one or more tranches, during the period of one year commencing from the date of this meeting until the conclusion of the next Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the issue(s) of such securities including the above said Non- Convertible Debentures/bonds, number of securities, number of tranche(s), to be issued under each such tranche, tenure, purpose, coupon rate(s), securities for the issue if any, pricing of the issue, date(s) of opening and closing of the offers/ invitations for subscription of such securities, deemed date(s) of allotment, exercise ‘PUT’ and ‘CALL’ option, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committee(s) duly constituted for the purpose.

RESOLVED FURTHER THAT for the purpose of giving effect to these resolution(s), the Board is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto.

RESOLVED FURTHER THAT the Board is hereby authorised to delegate all or any of the powers herein conferred to any director(s)/ Committees and/or officers(s) of the Company, to give effect to the above resolution(s).”

Agenda No.11 – Further issue of shares / specified securities not exceeding ₹1000 Crore

To consider, and if thought fit, to pass with or without the modification(s), the following resolution(s) as Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 62(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013 (the “Act”) and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder, the relevant provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India (SEBI) Act, 1992 and the rules and regulations made thereunder including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended [“ICDR Regulations”], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended [“SEBI (LODR) Regulations”], the listing agreements entered into with the respective stock exchanges where the shares of the Company are listed (the “Stock Exchanges”), the provisions of the Foreign Exchange Management Act, 1999, as amended (“FEMA”), including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, as amended, the Foreign Exchange Management (Transfer or issue of any foreign security) Regulations 2004 (including any amendment(s), modification(s), variation(s) or re-enactment(s) to the above laws), the provisions of the Memorandum of Association and Articles of Association of the Company and in accordance with any other applicable law, rules or regulations, in India or outside India, including without limitation, as amended, the Reserve Bank of India Master Directions on Foreign Investment in India as amended, and in accordance with such other rules, regulations, guidelines, notifications, circulars and clarifications issued/to be issued from time to time by the Government of India (“GOI”), the Reserve Bank of India (“RBI”), the Securities and Exchange Board of India (“SEBI”), the Registrar of Companies (“ROC”), the Ministry of Corporate Affairs (“MCA”), National Housing Bank (“NHB”), BSE Limited and the National Stock Exchange of India Limited and such other statutory and regulatory authorities (hereinafter referred to as ‘regulatory authorities’), from time to time, and to the extent applicable and subject to approvals, consents, permissions and/or sanctions, if any required, from any statutory or regulatory authorities and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and/or sanctions, which may be agreed to by the Board of Directors of the Company (hereinafter called the “Board” which term shall be deemed to include any Committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution), the consent, authority and approval of the members be and is hereby accorded to the Board to create, offer, issue and allot, such number of fully paid Equity Shares of the Company of face value of 2/- each (Rupees Two only) (the

“Securities”), in one or more tranches, either in India or in the course of international offering(s) in one or more foreign markets, by way of Qualified Institutions Placement (“QIP”) through issue of a placement document to Qualified Institutional Buyers (“QIBs”) [as defined in the ICDR Regulations] in accordance with all the applicable laws, rules, regulations and guidelines whether or not such persons are members of the Company, and/or on preferential allotment basis to the promoter viz., Canara Bank, in accordance with Chapter V and/or VI of ICDR Regulations, as applicable, or by any other mode of further issue of specified securities or any combination thereof for an amount not exceeding in aggregate of ₹1000 Crore (Rupees One Thousand Crore only) or through foreign currency equivalent thereof, inclusive of such premium as may be fixed on such Securities at such time or times, through issue of prospectus, offer letter, offer document, offering circular, placement document or otherwise, in such manner and on such terms and conditions including at such price or prices (including floor price), at a discount or premium to market price or prices (as permitted under the applicable laws), etc., as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine the QIBs to whom to offer, issue and allotment shall be made to the exclusion of other QIBs at the time of such creation, offer, issue and allotment, all subject to applicable laws, considering the then prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or underwriter(s) and/or other advisor(s) for such issue. The number and/or price of Securities shall be appropriately adjusted for future corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT the allotment of Securities, in case of QIP pursuant to Chapter VI of ICDR Regulations, shall be made only to the QIBs within the meaning prescribed under the said regulations and to be completed within 365 days from the date of passing of this Resolution or such other time as may be permitted under the ICDR Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable and as may be amended from time to time, provided that the Board may, in accordance with applicable laws, offer a discount of not more than 5% (five percent) or such percentage as permitted under the applicable laws, with such lock-in requirements and on such price determined in accordance with the pricing formula provided under Chapter V and/or VI of SEBI (ICDR) Regulations, as applicable, as may be amended from time to time.

RESOLVED FURTHER THAT the “Relevant Date” for the purpose of pricing of the Equity Shares to be issued as per the above resolution, shall be the date of the meeting in which the Board decides to open the proposed issue of such shares or such other dates as may

be prescribed, subject to any relevant provisions of applicable laws, rules, regulations, etc. as amended, from time to time.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be listed on the Stock Exchanges, where the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or a Committee thereof be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final placement document(s), determining the type, form and manner of the issue, number of securities to be allotted, issue price, face value, discounts permitted under the applicable law (now or hereafter), premium amount on issue/conversion of the securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/charge in accordance with the provisions of the Act in respect of any Securities as may be required either on pari passu basis or otherwise, as it may in its absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions or clarifications and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by SEBI, ROC or such other statutory & regulatory authorities, merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, scrutinizer, trustee, escrow agent or such other agents/agencies involved in or concerned with the issue of Securities and as the Board or Committee thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent, authority or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to these Resolutions may be exercised by the Board or Committee thereof the Board has constituted or may constitute in this behalf, to the intent that the members shall be deemed to have given their approval thereto expressly by the authority of these Resolutions, and all actions taken by the Board or any Committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board or Committee thereof be and is hereby authorized to engage/ appoint consultants, lead managers, managers, underwriters, authorised representatives, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such professionals, intermediaries and agencies as may be involved or concerned in such offerings of securities and to remunerate them by way of commission, brokerage, fees and such other expenses as it deems fit and also to enter into and execute all such arrangements, agreements, memoranda, undertakings, placement agreements, underwriting agreements, deposit agreements, trust deeds, subscription agreements, payment and conversion agency agreements and any other agreements or documents with such agencies and to seek the listing of such securities on the stock exchange(s).

RESOLVED FURTHER THAT subject to the applicable laws, the Board be and is hereby authorized to delegate all or any of the powers

herein conferred to any Committee of Directors or Directors or any other officer or officers of the Company to give effect to the above resolutions.”

By Order of the Board of Directors
For Can Fin Homes Ltd.

Sd/-

Veena G Kamath
AGM & Company Secretary

Place: Bengaluru
Date: July 30, 2020

Registered Office:
No.29/1, 1st Floor,
Sir M N Krishna Rao Road, near Lalbagh West Gate,
Basavanagudi, Bengaluru – 560 004
CIN: L85110KA1987PLC008699

NOTES:

1. In view of the outbreak of the COVID-19 pandemic and pursuant to the General Circular numbers 20/2020 dated 05/05/2020, 17/2020 dated 13/04/2020, and 14/2020 dated 08/04/2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated 05/12/2020 issued by the Securities and Exchange Board of India (SEBI) ("the Circulars"), companies are allowed to hold Annual General Meeting (AGM) through Video Conference (VC)/Other Audio Visual Means (OAVM) ("VC"), without the physical presence of members at a common Venue. Hence, in compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and the Circulars, the AGM of the Company is being held through Video Conference.
 2. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 17(11), 26(4) and 36(3) of SEBI (LODR) setting out the material facts concerning agenda No.3 and special business under agenda Nos. 4 to 11 in the Notice, is annexed.
 3. Pursuant to the provisions of the Act, a member entitled to attend and vote at the AGM is entitled to appoint a proxy, to attend and vote on him/her behalf, and such proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available and hence the Proxy Form and Attendance Slip are not annexed to this Notice. The attendance of the members participating in the AGM through VC will be recorded digitally. The attendance of the Members attending the AGM through VC will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
 4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Thursday the August 20, 2020 to Wednesday the August 26, 2020, (both days inclusive) for the purpose of determining the entitlement of shareholders to the payment of dividend for the financial year ended March 31, 2020.
 5. The member's may note that the Board of Directors in their meeting held on June 15, 2020, has recommended a Dividend of ₹2/- per share. The dividend amounts will be paid subject to approval of the members in the AGM. If approved, the Company will pay the Dividend amounts, within 7 days from the date of AGM to the members, whose name appear in the Register of Members as at the close of business hours on Wednesday, August 19, 2020, subject to deduction of tax at source (TDS) in terms of Section 194 of the Income Tax Act, 1961. For further details on TDS please refer point no. 11
- As Per the Circulars and Green Initiative by MCA, payment of dividend shall be made through electronic mode to the members who have updated their bank account details. For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent out to their registered addresses upon normalization of the postal services by post. Shareholders are requested to update their Bank account details & KYC with their depositories (where the shares are held in dematerialised mode) and with the Company's RTA i.e. Canbank Computer Services Limited (CCSL) (Where the shares are held in physical mode) to receive the dividend directly into their Bank Account.
6. In compliance with the Circulars, Notice of the AGM along with the Annual Report 2019-20 are being sent only through electronic mode to those Members whose email addresses are registered with the Company/RTA/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.canfinhomes.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL <https://www.evoting.nsdl.com>.
 7. All documents referred to in this Notice and other statutory registers like Register of Directors and Key Managerial Personnel and their shareholding (Section 170 of the Act), the Register of Contracts or Arrangements in which the Directors are interested (Section 189 of the Act) etc. maintained, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. August 26, 2020. Members seeking to inspect such documents can send an email to investor.relationship@canfinhomes.com. The said documents would also be available online for inspection during the AGM at the NSDL e-voting portal <https://www.evoting.nsdl.com>.
 8. Pursuant to Regulations 26(4) and 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, additional information/particulars, in respect of the directors seeking appointment/ re-appointment at the AGM are furnished in the explanatory statement forming part of this Notice. The directors have furnished consent(s)/ declaration(s) for their appointment/ re-appointment as required under the Companies Act, 2013 and related Rules and as per NHB Directions.
 9. The members desirous of obtaining information, if any, with regard to the audited annual accounts of the Company for the financial year 2019- 20 or on any other related subject may write to the Company at e-mail IDs; accounts@canfinhomes.com or compsec@canfinhomes.com at least 15 days before the date fixed for the AGM, so that the information required could be kept ready.

10. Information on Appointment of Auditors:

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, M/s. Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) were appointed by the members as the Statutory Auditors of the Company to hold office from the conclusion of the 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting, subject to ratification by members every year, if so required, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away by the Companies (Amendment) Act, 2017 with effect from May 7, 2018 [File No.1/1/2018-CL. I dated May 07, 2018]. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors at the ensuing AGM. We request the members to note the above information.

11. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. The shareholders are requested to refer to the Finance Act, 2020 and amendments thereof and FAQ on Tax on Dividend at <https://www.canfinhomes.com/pdf/FAQ-TAX-DIVIDEND.pdf>. The shareholders are requested to update their PAN with the Company/RTA (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). (Please refer point 20(i) below for updating PAN etc.)

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a declaration in Form No. 15G/15H/Tax exemption certificate, to avail the benefit of non-deduction of tax at source by email to investor.relationship@canfinhomes.com by August 19, 2020. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a rate of 20%.

For non-resident shareholders, the rate of TDS is 20% (plus applicable surcharge and cess) as per Indian Income- tax Act, 1961. However, where a non-resident shareholder is eligible to claim the tax treaty benefit, and the tax rate provided in the respective tax treaty is beneficial to the shareholder, then the rate as per the tax treaty would be applied. In order to avail tax treaty benefits, non-resident shareholders would be required to submit Tax Residency Certificate for FY 2020-21, Form 10F as per the format specified under Income Tax Act, 1961, Copy of PAN Card attested, Self-declaration of beneficial ownership and not having a Permanent Establishment(PE) in India. The aforesaid declarations and documents need to be submitted by the shareholders by August 19, 2020.

12. The Board has appointed Shri S Kedarnath of S Kedarnath & Associates, Practicing Company Secretaries, as the Scrutinizer to scrutinize the e-voting in a fair and transparent manner. The Scrutinizer will submit his report to the Chairperson of the Company ('the Chairperson') or to any other person authorized by the Chairperson after the completion of the scrutiny of the e-voting (votes cast during the AGM and votes cast through remote e-voting), not later than 48 hours from the conclusion of the AGM. The result declared along with the Scrutinizer's report shall be communicated to the stock exchanges, NSDL and RTA and will also be displayed on the Company's website, www.canfinhomes.com.

The Company has availed the services of NSDL for arrangement of the AGM on VC to enable the members to participate in the meeting in terms of the Circulars cited above. Also the Company's has provided a facility to the member to exercise their rights to vote electronically through electronic voting service facility made available by NSDL.

13. Voting through electronic means (e-Voting):

Pursuant to provisions of Section 108 of the Companies Act,2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their right to vote electronically through electronic voting (e-voting) service facility provided/made available by the National Securities Depository Limited (NSDL). The facility for voting through electronic voting system will also be made available during the Annual General Meeting (AGM) and the members who have not already cast their votes by remote e-voting shall be able to exercise their right to vote during said AGM through e-voting.

Members who have cast their votes by remote e- voting prior to the AGM may attend the AGM on VC but shall not be allowed to vote again. The instructions for e-voting are annexed to the Notice. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names will be entitled to vote. Since the AGM is being conducted through VC the said resolutions will not be voted on show of hands during the AGM in terms of Section 107 of the Companies Act, 2013. The manner of voting remotely, by members holding shares in dematerialized mode, physical mode and for members who have not registered their email addresses, is provided in the instructions for e-voting as below:

A. The Instructions for Members for Remote E-Voting are as Under:-

The remote e-voting period begins on August 22, 2020 at 9:00 A.M. IST and ends on August 25, 2020 at 5:00 P.M. IST. The remote e-voting module shall be disabled by NSDL for voting thereafter.

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2: Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login details. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

4. Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.

c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
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5. Your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in "process for those shareholders whose email ids are not registered".
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) "Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat

account number/folio number, your PAN, your name and your registered address.

- d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see the Home page of 'e-Voting'. Click on 'e-Voting'. Then, click on 'Active Voting Cycles'.
2. After click on 'Active Voting Cycles', you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of Can Fin Homes Limited for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Member companies/Institutional Shareholders are required to send a certified copy of the Board or governing body Resolution/Authorisation letter etc., authorising their representative to attend the AGM through VC and vote on their behalf. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to canfinscrutinizer@gmail.com with a copy

marked to evoting@nsdl.co.in

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or contact Sarita Mote, Assistant Manager at 91 22 24994890; or send a request to SaritaM@nsdl.co.in or evoting@nsdl.co.in
4. The remote e-voting period commences on Saturday, August 22, 2020 (9:00 a.m. IST) and ends on Tuesday, August 25, 2020 (5:00 p.m. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date i.e. as on August 19, 2020, may cast their votes electronically. The e-voting module will be disabled by NSDL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on August 19, 2020.
5. Any person who acquires shares of the Company and becomes a Member of the Company after sending of the Notice of the AGM and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if he / she is already registered with NSDL for remote e-voting then he / she can use his / her existing user ID and password for casting the vote.

"Process for shareholders whose email IDs are not registered"

For registration of E-mail IDs for procuring user id and password for e-voting on the resolutions set out in the notice of the AGM, please follow the process given below:

1. In case shares are held in physical mode please provide Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR

(self attested scanned copy of Aadhar Card) by email to investor.relationship@canfinhomes.com

2. In case shares are held in demat mode, please provide DPID-CLID (16 digit DPID + CLID or 16 digit beneficiary ID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to investor.relationship@canfinhomes.com
3. Alternatively member may send an e-mail request to evoting@nsdl.co.in for obtaining User ID and Password by proving the details mentioned in Point (1) or (2) as the case may be.

B. The Instructions for Members for E-Voting on the day of the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC and have not cast their vote on the Resolutions through remote e-Voting and are otherwise not barred from voting, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. For any grievances connected with the facility for e-Voting on the day of the AGM please call on toll free no.: 1800-222-990 or contact Sarita Mote, Assistant Manager at 91 22 24994890; or send e-mail to SaritaM@nsdl.co.in or evoting@nsdl.co.in

14. Instructions for Members for Attending the AGM through VC are as under:

- a) The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC will be made available for 1500 members on first come first serve basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee,

Auditors, Company Secretary etc. who are allowed to attend the AGM without restriction on account of first come first serve basis.

- b) Member will be provided with a facility to attend the AGM through VC through the NSDL e-Voting system. Members may access the same at <https://www.evoting.nsdl.com> under 'shareholders/members login' by using the remote e-voting credentials like User Id and Password. The link for VC will be available in 'shareholder/members login' where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush. Further, members can also use the OTP based login for logging into the e-Voting system of NSDL.
 - c) Members are encouraged to join the Meeting through Laptops for better experience.
 - d) Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
 - e) Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
 - f) Shareholders who would like to express their views/ask questions during the meeting may register themselves as a 'speaker' may send their request mentioning their name, demat account number/folio number, email id, mobile number to investor.relationship@canfinhomes.com on or before August 21, 2020.
 - g) Shareholders who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, email id, mobile number to investor.relationship@canfinhomes.com. The same will be replied by the Company suitably.
 - h) Those shareholders who have registered themselves as a 'speaker' will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict to the number of speakers depending on the availability of time for AGM.
15. Since the AGM will be held through VC, the Route Map is not annexed in this Notice. The deemed venue is the Registered Office of the Company.

General Information:

16. Dematerialisation of shares: Considering the advantage of scripless trading, members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience. For any assistance for opening demat account, the members may contact the RTA Ph: 080 23469661 /62/64/65 or the Board Secretariat Department vide e-mail to compsec@canfinhomes.com. Pursuant to the proviso to Reg. 40 of SEBI (LODR) Regulations, 2015, except in case of transmission or transposition of securities, requests for effecting transfer of securities shall not be processed by the Company unless the securities are held in the dematerialized form with a depository.

17. Transfer of Unclaimed Dividend and shares to IEPF: Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the dividend declared for 2012-13 remaining unclaimed and unpaid as on August 07, 2020 are liable to be transferred to the Investor Education & Protection Fund (IEPF) since 7 years have lapsed. Reminder letters have been sent to all such shareholders as per the address registered with the Company/RTA. Members who have not encashed their dividend warrants for the financial years 2013-14 to 2018-19 are requested to approach the RTA of the Company at the earliest.

Pursuant to Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016 and amendments thereof and as per Rule 6 of the said Rules, during FY 2019-20, the Company has transferred the shares, in respect of which dividend amounts remained unclaimed or unpaid for 7 consecutive years by the shareholders i.e., upto 2011-12, to 'IEPF Demat Account' in accordance with the procedure prescribed. The Company has sent reminder letters dated May 18, 2020 to all the shareholders (2322 Nos.), who have not claimed their dividend amounts pertaining to 2012-13 for a consecutive period of 7 years and also issued newspaper notifications. The details are made available on the website of the Company in 'Investors' page. The shareholders are requested to contact RTA and submit their KYC documents and comply with the formalities for claiming the said amounts. The unclaimed amount together with related shares are due to be transferred to IEPF by August 07, 2020.

18. Updation of E-mail address, Bank Account Particulars PAN etc.: The Company has been concerned about the environment and encourages the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India. Also in light of the Circulars, Members holding the shares in physical mode, who have not registered/updated their email addresses and or Bank Account particulars, PAN etc. with the Company, are requested to register /update the same in any of following manners and enable us to send the annual report etc., via e-mail and pay the Dividend through electronic mode

(as mandatorily required as per SEBI Circular dated March 21, 2016)

- i) by clicking on <https://www.canfinhomes.com/shareholder-request-detail.aspx> and uploading the required documents or
- ii) by writing to the Company with details of Folio Number and attaching a self-attested copy of PAN card at investor.relationship@canfinhomes.com or to Canbank Computer Services Limited at naidu@ccsl.co.in or
- iii) by sending an SMS to the number '9971393333', mentioning 'INVESTOR<space>Folio Number <space>e-mail address'.
- iv) The forms (for physical) for furnishing Bank account particulars with the related IFSC Code, are made available on the website of the Company <https://www.canfinhomes.com/pdf/ECS-mandate-Physical-Holding.pdf> for download by the members and submission to the Company or the RTA.

Members holding shares in dematerialised mode, who have not registered/updated their email addresses/ Bank account particulars with their Depository Participants, are requested to register/update their email addresses and mobile numbers with the Depository Participants with whom they maintain their demat accounts. The forms (for Demat) for furnishing Bank account particulars with the related IFSC Code, are made available on the website of the Company <https://www.canfinhomes.com/pdf/ECS-mandate-Demat-Account.pdf> for download by the members and submission to the DP.

Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic/dematerialised form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company/RTA.

- 19. Nomination facility:** Pursuant to Section 72 of the Companies Act, 2013 individual/ joint members are entitled to register nomination in respect of the shares held by them in Form No.SH-13 and send it to the RTA. The Nomination form is made available in the website of the Company <https://www.canfinhomes.com/pdf/Nomination-Form-SH-13.pdf>
- 20. Correspondence:** Members are requested to address all correspondence, including payment of unclaimed dividend, change of address etc. to the Registrars and Share Transfer Agents (RTA) of the Company viz., M/s.Canbank Computer Services Ltd., R & T Centre, Unit: Can Fin Homes Ltd., J.P. Royale, I Floor, No.218, 2nd Main, Sampige Road (near 14th Cross), Malleshwaram, Bengaluru-560003; e-mail: naidu@ccsl.co.in;

ANNEXURE TO THE NOTICE

Explanatory Statement: [Pursuant to Section 102(1) of the Companies Act, 2013 and Regulation 17(11) of the SEBI (LODR) Regulations, 2015 and additional information on directors on appointment/re-appointment as required under Regulation 36 of the said regulations and secretarial standards to the extent applicable].

The Following explanatory statement sets out all material facts relating to the business mentioned under Items Nos. 3 to 11 of this Notice.

In respect of Agenda No.3 – Re-appointment of Shri Debashish Mukherjee as Director

Shri Debashish Mukherjee, Director, has been appointed as Director by the members at the 32nd AGM of the Company held on July 17, 2019, liable to retire by rotation. In terms of section 152(6) (d) of the Act, Shri Debashish Mukherjee (Non-executive promoter director), being longest in the office since his last appointment, would be liable to retire by rotation at the ensuing 33rd AGM of the Company and being eligible to be re-appointed as a Director at the same meeting.

Agenda No. 3 is an ordinary business. However, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard-2, the following particulars relating to Shri Debashish Mukherjee (DIN 08193978), Director, are provided for the information of members.

Brief resume and nature of expertise in specific functional areas & experience: Shri Debashish Mukherjee, aged 55 years, was appointed as an Additional Director (Non-executive Promoter) w.e.f. March 12, 2019 on the Board of the Company and he has been appointed by the members as a Director at the 32nd Annual General Meeting held on July 17, 2019. He is a Non-Executive Promoter Director of the Company.

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

Shri Debashish Mukherjee has taken charge as Executive Director of Canara Bank on February 19, 2018. He is overseeing the functions of Risk Management (including Capital planning), Financial Management and subsidiaries, MSME, Credit Administration & Monitoring, stressed Assets Management and Recovery, Inspection, Treasury, International Operations & Corporate Customer Relations. He is currently a member on the Boards of two listed entities viz.,

Can Fin Homes limited and Canara Bank is also a member on the Boards of the subsidiaries and/or Joint venture Companies viz., Canara Robeco Asset Management Company, Canara HSBC OBC Life Insurance Company, Canara Bank Securities Limited, Canbank Venture Capital Ltd. and a non-profit organization viz., Higher Education Financing Agency.

Disclosure of relationships between directors inter-se: None of the directors are related inter-se. No Director, other than Shri Shreekant M Bhandiwad (Dy. Managing Director and KMP of the Company), Dy. General Manager, Canara Bank and Shri Lingam Venkata Prabhakar, MD and CEO of Canara Bank, and no other key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said resolution.

Names of listed entities (other than Can Fin Homes Ltd.) in which the director holds directorship and the membership of Committees of the Board: Shri Debashish Mukherjee, Director, is an Executive Director in Canara Bank, a listed entity. He is the Chairperson of Risk Management Committee and a member of Nomination Remuneration & HR Committee of the Board of your Company.

No. of meetings of the Board attended during the year: Shri Mukherjee attended 5 meetings during the year out of 7 meetings held. For the remaining meetings leave of absence was granted.

Shareholding in the Company: Shri Debashish Mukherjee, Director, is not holding any shares in the Company (both own and held by/for other persons on a beneficial basis). He has not availed any loan from the Company. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility.

Key terms and conditions of re-appointment: Shri Debashish Mukherjee would be re-appointed as a director, liable to retire by rotation, at the 33rd Annual General Meeting of the Company scheduled to be held on August 26, 2020. He is eligible for sitting fee of ₹30,000/- for attending a meeting of the Board and ₹20,000/- for Chairing the Meeting of Risk Management Committee and ₹15,000/- for attending the meeting of Nomination Remuneration & HR Committee as a member. The sitting fee payable to Shri Debashish Mukherjee is liable to be paid to Canara Bank. He is also eligible to receive re-imbursment of expenses incurred towards travel, hotel and other incidental expenses incurred by the director in the performance of their role and duties.

The Nomination Remuneration & HR Committee at its meeting held on June 15, 2020 has determined that Shri Debashish Mukherjee continues to be a fit and proper candidate for re-appointment and his performance has been evaluated by the Independent Directors for the year ended March 31, 2020. Your directors are of the opinion that Shri Debashish Mukherjee fulfils the conditions

specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016 for appointment as a Director and his appointment as a Director would be in the best interest of the Company.

Consents, declarations etc., referred above would be available for inspection by the members as mentioned in the notes to this Notice.

The Board of Directors at their meeting held on July 23, 2020 has recommend the re-appointment of Shri Debashish Mukherjee, as a Director, as proposed at Agenda No.3 (Ordinary Business) of the Notice.

In respect of Agenda No.4 – Appointment of Shri Girish Kousgi as Managing Director & CEO

The Board of Directors of your Company, considering the profile and experience of Shri Girish Kousgi and recommendations of the Nomination Remuneration and HR Committee, has appointed Shri Girish Kousgi (DIN-08524205) as an Additional Director and then as the Managing Director & CEO of the Company with effect from September 05, 2019, initially for a tenure of five years, in terms of the applicable Articles of the Articles of Association of the Company and Section 152, 161, 196, 197, 198 and all other applicable provisions, if any, of the Companies Act, 2013, related rules, read with Schedule V to the said Act. The said appointments are subject to approval by the members of the Company at this Annual General Meeting of the Company.

As required under the provisions of Companies Act, 2013 and related rules and also under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all the relevant information relating to Shri Girish Kousgi, are provided in this explanatory statement.

Brief resume and nature of expertise in specific functional areas & experience:

Shri Girish Kousgi (DIN-08524205) aged 49 years, is a graduate in Commerce and a Masters degree holder in Business Administration. Shri Girish Kousgi is a Banking professional with 24+ years of experience. He has an extensive experience of managing assets and liabilities and has gained expertise in mortgage, retail lending, SME and Agri business. During his career so far, he has worked in HDFC Ltd., ICICI Bank, IDFC Bank and Tata Capital. He has dealt with a variety of loan products like home loans, business loans, LAP, personal loans, mortgages, deposits, retail and rural products, etc. and gained wide experience in handling sales, product, credit underwriting, risk and operations. He has significant experience of retail banking for over 15 years in Bangalore, Hyderabad and Kerala apart from an experience of about 10 years in credit risk including risk-based verification strategies for loan products, measure credit expansion opportunities in the lending market and validate and implement credit risk models.

Shri Girish Kousgi has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act and Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, expressing his willingness to act as a Director and the Managing Director of the Company. He is not disqualified from being appointed as a director, or Managing Director, in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such appointment. He is not debarred from holding the office of Director by virtue of any order by SEBI or any other authority.

He has submitted the Notice of interest in terms of Section 184 of the Companies Act, 2013 (Form MBP-1). He has executed a Declaration-cum-undertaking as required under HFCs Corporate Governance (NHB) Directions, 2016 for his appointment as an additional director/Director and executed a Deed of Covenants. He has entered into an agreement with the Company setting out all the terms and conditions of appointment. His performance for the financial year ended March 31, 2020 has been evaluated by the Independent Directors and the Nomination Remuneration and HR Committee and his outstanding performance has been placed on record. He is committed to devote enough time that is required by the Company in order to fulfil his fiduciary responsibility towards various stakeholders.

Key terms and conditions of re-appointment: The key terms and conditions of appointment including the remuneration payable to Shri Girish Kousgi as Managing Director and CEO, are set out more particularly in the agreement between the Company and Shri Girish Kousgi, are as follows:

1. Tenure – The initial tenure of appointment is for 5 years from September 05, 2019 and subject to further extension in the period of service;
2. Shri Girish Kousgi has been entrusted with substantial powers of the Managing Director and management of the Company, subject to superintendence, control and direction of the Board of Directors of the Company.

Shri Girish Kousgi shall devote his whole time and attention to the business of the Company and perform such duties as may be entrusted by the Board from time to time and he shall abide by the role and responsibilities imposed for the position of the Managing Director and/or Chief Executive Officer, by various statutes like Companies Act, Income Tax Act, PF Act etc. and regulatory laws like SEBI Act, NHB Act, RBI Act, IRDAI Act, etc.

He shall be responsible for strategic and operational responsibility for overall success of the Company, including ensuring appropriate and challenging goals and meeting such goals, planning and scaling profitable business, oversee

budgeting, financial forecasting, ALM, risk management and cash flow, monitoring performance, lead the fund raising campaigns, improvise the collection framework, ensure implementation of Company's policies and mainly strengthen the image of the Company.

All Policies of the Company and the related guidelines, the Code of Conduct as amended from time to time, which are applicable to the Directors, shall also be applicable to the Managing Director, unless specifically provided otherwise.

3. Remuneration: The Managing Director & CEO is eligible to receive the following remuneration, allowances and perquisites/benefits for the performance of his duties and responsibilities as the Managing Director & Chief Executive Officer;

A. Pay component (Monthly): Consolidated Fixed Pay of ₹6,00,425/-; City Compensatory Allowance: ₹32,908/-; Other Allowance: ₹2,00,000/- (Other allowance shall not qualify for any superannuation benefit viz. PF, Gratuity, etc.).

B. Other Cash Component (Monthly) Reimbursed every month: Mobile Expenditure: ₹5000/-; Business Development Expenditure: ₹25,000/-; Rent: ₹50,000/-; News Paper: ₹1,000/-; Quarters Cleaning Charges: ₹1,000/- per month.

C. Non Cash Component (Monthly): Fuel Allowance: ₹11,667/- (Company will provide a chauffeur driven car); Provident Fund: ₹72,051/- (A portion of the same will be transferred to the Family Pension Fund as per the policy of the Company); Gratuity: Annually ₹3,46,399/-; Medical: Annually ₹50,000/- (By way of group Insurance premium/ payment on declaration/ combination of both); Leave Fare Concession (LFC): Annually ₹2,00,000/- (For Self and family members); PL Encashment: Annually ₹4,16,667/- [PL can be accumulated upto a maximum period of eight months (240 days) as per the Policy of the Company. Privilege Leave up to a maximum of 30 days can be encashed while availing LFC, once in two years, as per Policy].

The Managing Director shall be entitled to leaves and holidays as per Company policies.

D. Performance linked Cash Incentive (Annual): ₹20,00,000/- being 20% of the fixed pay (Performance linked cash incentive shall be linked to the performance of the Company as per defined parameters as decided and approved by the Board).

The valuation of perquisites will be as per the Income Tax Rules, 1962, in cases where the same is otherwise not possible to be valued.

The annual increment to the fixed pay/bonus will be reviewed by Nomination Remuneration & HR Committee and recommended to the Board.

His remuneration for the year ended March 31, 2020 was ₹61.67 Lakh. His overall remuneration is within the ceiling limit prescribed under Schedule V and section 197 of the Companies Act, 2013.

E. The notice period for termination of the said agreement with Shri Kousgi is three months. No severance fee is payable by the Company on termination of the agreement.

Shareholding in the Company: Shri Girish Kousgi is not holding any shares in the Company (both own and held by/for other persons on a beneficial basis) and has not availed any loan from the Company.

Names of listed entities (other than Can Fin Homes Ltd.) in which the director holds directorship and the membership of Committees of the Board: Shri Girish Kousgi does not hold directorships in any other listed entities. He is a member of Stakeholders Relationship Committee and the Corporate Social Responsibility Committee. He is the Chairperson of the Management Committee of the Board of your Company.

The Nomination Remuneration and HR Committee at its meeting held on July 22, 2019 has determined Shri Girish Kousgi to be a fit and proper candidate for the post of Managing Director and CEO of the Company and recommended to the Board, together with the terms and conditions, tenure and remuneration for such appointment. The approval of appointment of Shri Girish Kousgi as a Director and Managing Director by the Board of Directors w.e.f. September 05, 2019, for a tenure of five years, with the terms and conditions including remuneration, as detailed in this explanatory statement, in terms of Sec.161, 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder and Schedule V, is placed before the members at the 33rd Annual General Meeting of the Company for approval.

Copies of the agreement of Shri Girish Kousgi setting out the terms and conditions of appointment, the consents, declarations etc. referred above, would be available for inspection by the members as mentioned in the notes to this Notice.

Your Company had received a notice in writing from a member under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying their intention to propose the candidature of Shri Girish Kousgi, for the office of Managing Director and CEO of the Company.

Your directors are of the opinion that Shri Girish Kousgi fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016 for appointment as the Managing Director & CEO of the Company and his appointment as the Managing Director would be in the best interest of the Company.

No. of meetings of the Board attended during the year: No. of meetings of the Board held after appointment Shri Girish Kousgi were 4 and Shri Girish Kousgi attended all the meetings during the year.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and he shall be appointed as a Director by the members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

Disclosure of relationships between directors inter-se: None of the directors are related inter-se. No Director or any key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said resolution.

Your Board of Directors therefore have, pursuant to the provisions of the Companies Act, 2013 including Schedule V recommended for passing of the resolution proposed at Agenda No.4 of the Notice.

In respect of Agenda No.5 - Appointment of Shri Satish Kumar Kalra as an Independent Director

The Board of Directors of the Company has appointed Shri Satish Kumar Kalra (DIN-01952165), on the Board of the Company with effect from June 15, 2020 as an additional director and as Independent Director pursuant to Section 161 and all other applicable provisions of the Companies Act, 2013, on the recommendations of the Nomination Remuneration and HR Committee constituted under Section 178(1) of the said Act. In terms of Section 161 of the Companies Act, 2013, Shri Satish Kumar Kalra holds office only up to the date of the ensuing Annual General Meeting.

In terms of Section 160 and all other applicable provisions of the Companies Act, 2013, your Company has received a notice in writing from a member signifying their intention to propose the appointment of Shri Satish Kumar Kalra as an Independent Director of the Company at the ensuing Annual General Meeting. Shri Satish Kumar Kalra is willing to act as an Independent Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act.

Brief resume and nature of expertise in specific functional areas & experience:

Shri Satish Kumar Kalra, aged about 63 years, is a Masters Degree holder in Science (M.Sc.), a CAMS and PGDM in Finance.

Shri Satish Kumar Kalra has been a Member on Advisory Board for Banking and Financial Frauds since March 2020. He has served as the Managing Director & CEO (Additional charge) in Andhra Bank for 6 months (he was the Whole Time Director/Executive Director in Andhra Bank from Oct 2012 to Aug 2017). He was General Manager (Treasury) in Allahabad Bank. Shri Satish Kumar Kalra has provided strategic guidance to the Bank in Key areas of NPA, Credit, International Banking Treasury Management, HR, etc. He has a wide experience in the areas of Treasury Management, Risk management, Corporate Planning, Inspection & Audit, Merchant Banking, Board Secretariat, Credit Monitoring & Review, Recovery Management and Legal, Retail & MSME lending. He has an experience of about 38 years in the banking industry. He has attended CAFRAL Training Programme at USA Washington and New York. Also attended SIBOS Program at Dubai & training for EDs at Kozhikode.

Disclosure of relationships between directors inter-se: None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

Names of listed entities (other than Can Fin Homes Ltd.) in which the director holds directorship and the membership of Committees of the Board: Shri Satish Kumar Kalra is presently on the Boards of PNB GILTS and Lakshmi Vilas Bank Ltd. as Independent Director. He is not a member of any Committees of the Board.

No. of meetings of the Board attended during the year: Shri Satish Kumar Kalra has been appointed as a director in the current financial year i.e., on June 15, 2020. He has attended the meetings held during the current financial year.

Shareholding in the Company: Shri Satish Kumar Kalra is not holding any equity share in the Company (both own and held by/ for other persons on a beneficial basis) and has not availed any loan from the Company.

He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Shri Satish Kumar Kalra, by the Company, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility for such appointment. He has also submitted a declaration to that effect that he meets the criteria of independence as provided in Section 149(6) of the Act and the declarations-cum-undertaking and the Deed of covenants as required under HFCs Corporate Governance (NHB) Directions, 2016. He has also submitted the Notice of interest in terms of Section 184 of the Companies Act, 2013 (Form MBP-1).

Key terms and conditions of appointment & Remuneration: Shri Satish Kumar Kalra is eligible to receive sitting fee for attending the meetings of the Board (₹30,000/- per meeting) and if he becomes the member of any Board Committees he will be eligible for a sitting fee of ₹15,000/- per meeting. He is also eligible to receive re-imbursment of expenses incurred towards travel, hotel and other incidental expenses incurred by the director in the performance of their role and duties.

Considering the knowledge, profile, expertise, vast and varied experience, criteria of independence and fit and proper criteria, the Nomination Remuneration and HR Committee in its meeting held on June 15, 2020 had recommended for appointment of Shri Satish Kumar Kalra as an Independent Director and the Board at its meeting held on the same day, has appointed him as an Additional Director (Independent) and has now placed the proposal before the members with its recommendations.

Your directors are of the opinion that Shri Satish Kumar Kalra fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016 for appointment as an Independent Director and his appointment as an Independent Director would be in the best interest of the Company.

The draft letter of appointment of Shri Satish Kumar Kalra as an independent director setting out the terms and conditions are available on the website of the Company. Consents, declarations etc., referred above would be available for inspection by the members as mentioned in the notes to this Notice.

In terms of Sec.149, 150 and 152 of the Companies Act, 2013 and other applicable provisions of the said Act and rules made thereunder, Shri Satish Kumar Kalra, being eligible, is proposed to be appointed as an Independent Director from this Annual General Meeting until the conclusion of the Annual General Meeting of the Company of the year 2023. The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.5 of the Notice.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and he shall be appointed as a Director by the members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.6 - Appointment of Smt Shubhalakshmi Panse as an Independent Director

The Board of Directors of the Company has appointed Smt Shubhalakshmi Panse (DIN-2599310), on the Board of the Company with effect from June 15, 2020 as an additional director and as Independent Director pursuant to Section 161 and all other applicable provisions of the Companies Act, 2013,

on the recommendations of the Nomination Remuneration and HR Committee constituted under Section 178(1) of the said Act. In terms of Section 161 of the Companies Act, 2013, Smt Shubhalakshmi Panse holds office only up to the date of the ensuing Annual General Meeting.

In terms of Section 160 and all other applicable provisions of the Companies Act, 2013, your Company has received a notice in writing from a member signifying their intention to propose the appointment of Smt Shubhalakshmi Panse as an Independent Director of the Company at the ensuing Annual General Meeting. Smt Shubhalakshmi Panse is willing to act as an Independent Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act.

Brief resume and nature of expertise in specific functional areas & experience:

Smt Shubhalakshmi Panse aged about 65 years, is a Masters Degree holder in Science (M.Sc.), Diploma in Business Management (DBM), Masters in Management Sciences with Specialization in Financial Management (MMS), Masters in Business Administration with specialization in Bank Management (USA) and CAIIB.

Nature of expertise in specific functional areas and experience: Smt Shubhalakshmi Panse has been a Member of External Advisory Committee set up by RBI for vetting the applications received for setting up Payment Banks. She was a member of P J Nayak Committee set up by the Government of India for Corporate Governance in PSBs. She was also a member of Appointments Committee for selection of CMDs & EDs of public sector banks. Smt Shubhalakshmi Panse was appointed as Chairman & Managing Director, Allahabad Bank from October 01, 2012 to January 31, 2014. (Prior to that she was an Executive Director of Vijaya Bank from November 20, 2009 to September 30, 2012). She was also the Chairman of ALLBANK Finance Ltd., a subsidiary of Allahabad Bank and Director on the Board of Universal Sampo Insurance Company, a joint venture company of Allahabad Bank, Indian Overseas Bank, Karnataka Bank, Sampo of Japan & Dabar Company. Smt Shubhalakshmi Panse joined as Probationary Officer in Bank of Maharashtra in 1976 and served upto the level of General Manager in Bank of Maharashtra.

She has a wide experience In the areas of Balance Sheet Management, Funds Management, Treasury Management, Corporate Credit Appraisal, Credit Monitoring & restructuring and NPA Management, expertise in Project Appraisal and Monitoring and Implementation, Business Planning, Conceptualising and Planning the road map of Information & Technology, establishing and putting in place systems and procedures for new business outlets and running them efficiently and effectively, Human Resource Development & Management strategies. She has an experience of about 39 years in the banking industry.

Disclosure of relationships between directors inter-se: None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolution.

Names of listed entities (other than Can Fin Homes Ltd.) in which the director holds directorship and the membership of Committees of the Board: Smt Shubhalakshmi Panse is presently on the Boards of Sudarshan Chemicals Industries Ltd., Atul Ltd., KPIT Technologies Ltd. and PNB Housing Finance Company Ltd. as Independent Director. She is not a member of any Committees of the Board.

No. of meetings of the Board attended during the year: Smt Shubhalakshmi Panse has been appointed as a director in the current financial year i.e., on June 15, 2020. She has attended the meetings held during the current financial year.

Shareholding in the Company: Smt Shubhalakshmi Panse is not holding any equity share in the Company (both own and held by/ for other persons on a beneficial basis) and has not availed any loan from the Company.

She is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Smt Shubhalakshmi Panse, by the Company, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming her eligibility for such appointment. She has also submitted a declaration to that effect that she meets the criteria of independence as provided in Section 149(6) of the Act and the declarations-cum-undertaking and the Deed of covenants as required under HFCs Corporate Governance (NHB) Directions, 2016. She has also submitted the Notice of interest in terms of Section 184 of the Companies Act, 2013 (Form MBP-1).

Key terms and conditions of appointment & Remuneration: Smt Shubhalakshmi Panse is eligible to receive sitting fee for attending the meetings of the Board (₹30,000/- per meeting) and if she becomes the member of any Board Committees she will be eligible for a sitting fee of ₹15,000/- per meeting. She is also eligible to receive re-imburement of expenses incurred towards travel, hotel and other incidental expenses incurred by the director in the performance of their role and duties.

Considering the knowledge, profile, expertise, vast and varied experience, criteria of independence and fit and proper criteria, the Nomination Remuneration and HR Committee in its meeting held on June 15, 2020, has recommended for appointment of Smt Shubhalakshmi Panse as an Independent Director and the Board at its meeting held on the same day, has appointed her as an Additional Director (Independent) and has now placed the proposal before the members with its recommendations.

Your directors are of the opinion that Smt Shubhalakshmi Panse fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB)

Directions, 2016 for appointment as an Independent Director and her appointment as an Independent Director would be in the best interest of the Company.

The draft letter of appointment of Smt Shubhalakshmi Panse as an independent director setting out the terms and conditions are available on the website of the Company. Consents, declarations etc., referred above would be available for inspection by the members as mentioned in the notes to this Notice.

In terms of Sec.149, 150 and 152 of the Companies Act, 2013 and other applicable provisions of the said Act and rules made thereunder, Smt Shubhalakshmi Panse, being eligible, is proposed to be appointed as an Independent Director from this Annual General Meeting until the conclusion of the Annual General Meeting of the Company of the year 2023. The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.6 of the Notice.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and she shall be appointed as a Director by the members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.7 - Appointment of Shri Lingam Venkata Prabhakar as a Director

The Board of Directors of the Company, appointed Shri Lingam Venkata Prabhakar (DIN – 08110715) as an Additional Director of the Company with effect from July 30, 2020 on the recommendations of Nomination, Remuneration & HR Committee, in terms of the Articles of Association of the Company and Section 152 and 161 and all other applicable provisions, if any, of the Companies Act, 2013 and related rules. In terms of Section 161 of the Companies Act, 2013, Shri Lingam Venkata Prabhakar holds office only up to the date of the ensuing Annual General Meeting.

Your Company has received a notice in writing from a member, under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying their intention to propose the appointment of Shri Lingam Venkata Prabhakar, as a director of the Company at the ensuing Annual General Meeting. Shri Lingam Venkata Prabhakar is willing to act as a Director of the Company, if so appointed and has filed with the Company his consent pursuant to Section 152 of the said Act.

Brief resume and nature of expertise in specific functional areas & experience: Shri Lingam Venkata Prabhakar, aged 57 years, Non-Executive Promoter Director, holds a Master's Degree in Agriculture and a Certified Associate of Indian Institute of Bankers (CAIIB).

Shri L V Prabhakar has assumed the office of MD & CEO of Canara Bank on February 01, 2020. He has worked as Executive Director of Punjab National Bank from March 01, 2018 to January

31, 2020. He has also worked with Allahabad Bank and served in various capacities at Industrial Finance Branch, Mumbai, Lead District Office and various Zonal Offices. At Corporate Office, he has worked as Head of various important verticals viz. Information Technology, Retail Banking, Priority Sector Credit, MSME Credit, Financial Inclusion, Human Resource Development and Integrated Risk Management. He was also on the Board of AUPGB

Disclosure of relationships between directors inter-se: None of the directors are related inter-se.

No Director, other than Shri Debashish Mukherjee (Executive Director of Canara Bank) and Shri Shreekant M Bhandiwad, Dy. Managing Director & KMP of the Company, (Dy. General Manager of the Bank), and no other key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said resolution.

Names of listed entities (other than Can Fin Homes Ltd.) in which the director holds directorship and the membership of Committees of the Board: Shri L V Prabhakar, Director, is the MD and CEO of Canara Bank, a listed entity. He is not a member of any Committees of the Board of the Company.

No. of meetings of the Board attended during the year: Shri L V Prabhakar has been appointed as a director in the current financial year i.e., on July 30, 2020. No meeting was held after his appointment till the date of this notice.

Shareholding in the Company: Shri L V Prabhakar, Director, is not holding any shares in the Company (both own and held by/for other persons on a beneficial basis). He has not availed any loan from the Company. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility.

Key terms and conditions of re-appointment: Shri L V Prabhakar, is eligible to receive sitting fee for attending the meetings of the Board (₹30,000/- per meeting) and if he becomes the member of any Board Committees he will be eligible for a sitting fee of ₹15,000/- per meeting. The sitting fee payable to Shri L V Prabhakar is liable to be credited to the account of Canara Bank. He is also eligible to receive re-imbursalment of expenses incurred towards travel, hotel and other incidental expenses incurred by the director in the performance of their role and duties.

The Nomination Remuneration & HR Committee at its meeting held on July 30, 2020 has determined Shri L V Prabhakar to be a fit and proper candidate for appointment. Your directors are of the opinion that Shri L V Prabhakar fulfils the conditions specified in the Companies Act, 2013, SEBI (LODR) Regulations, 2015 and HFCs Corporate Governance (NHB) Directions, 2016 for appointment as a Director and his appointment as a Director would be in the best interest of the Company. Shri L V Prabhakar being eligible, is

proposed to be appointed as a Director liable to retire by rotation at the ensuing Annual General Meeting.

Consents, declarations etc., referred above would be available for inspection by the members as mentioned in the notes to this Notice.

In terms of Sec.161 of the Companies Act, 2013, the Additional Director appointed by the Board holds office upto the date of the ensuing AGM and he shall be appointed as a Director by the members at the AGM. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.7 of the Notice.

In respect of Agenda No.8: Acceptance of deposits from public

The Company has been accepting deposits from the public since inception. With the business operations of the Company growing, Company's requirements for additional funds are increasing. The Company intends to continue to accept deposits from the public. However, in terms of section 73(2) and 76 and all other applicable provisions, if any, of the Companies Act, 2013, and the rules made thereunder, as amended from time to time, effective from April 01, 2014 the Company is exempt from applicability of the provisions under the Companies (Acceptance of Deposits) Rules, 2014 for the purpose of acceptance of deposits from public since your Company is a Housing Finance Company registered with National Housing Bank (NHB).

Your Company being a Housing Finance Company registered with NHB, has been following the Directions/guidelines issued by the NHB from time to time with regard to acceptance and renewal of deposits. The Government has issued notification communicating transfer of regulation of HFCs from National Housing Bank to Reserve Bank of India (RBI) w.e.f. August 09, 2019. Reserve Bank has issued a Press Release dated August 13, 2019 stating that RBI will carry out a review of the extant regulatory framework applicable to HFCs and come out with revised regulations in due course and till such time HFCs shall continue to comply with the directions and instructions issued by NHB. The Company will continue to follow the Directions/ Guidelines issued by NHB or RBI from time to time.

Regarding the quantum of deposits that can be accepted, your Company is bound by para 3(1)(i) of Chapter II (Acceptance of Public Deposits) of HFCs (NHB) Directions, 2010, according to which the Company can accept deposits not exceeding 3 (three) times of our net owned fund (NOF) as per the last audited balance sheet (Notification No. NHB.HF 22/ MD&CEO/2019 dated June 17, 2019). The NOF of the Company as on March 31, 2020 (as per the definition given in NHB Directions) is ₹2123.44 Crore (net of dividend payout) and the outstanding deposits as on the said date was ₹308.07 Crore.

In order to be eligible for accepting deposits from the public in terms of section 73(2) of the Companies Act, 2013, the Company is seeking the prior consent of the members by way of an ordinary resolution, subject to the condition that the amount accepted in the form of deposits from public together with the existing borrowings and future borrowings would be within the limits specified by the members under section 180(1) (c) of the Companies Act, 2013.

All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company. No Director(s) or any Key Managerial Personnel or the relative(s) of the director(s) or Key Managerial Personnel, is in any way concerned or interested, financially or otherwise, in the said resolution. The Board of Directors therefore, recommend the passing of the resolution proposed at Agenda No.8 of the Notice.

In terms of the Housing Finance Companies (NHB) Directions, 2010, the terms and conditions of acceptance of Deposit issued by way of Annual Deposit Advertisement during the previous year is valid only upto the date of the Annual General Meeting. The Company has to obtain prior consent of the members before acceptance of deposits and publish a fresh Annual Deposit advertisement with the terms of conditions for acceptance of public deposits on the next day of the Annual General Meeting. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.9 - To borrow amounts not exceeding ₹ 27,500 Crore

At the 32nd Annual General Meeting (AGM) of the Company held on July 17, 2019, the shareholders have accorded consent u/s.180(1)(c) and all other applicable provisions, if any, of the Companies Act 2013, by way of a special resolution, to the Board of Directors of the Company for borrowing monies in excess of the aggregate of the paid up capital and free reserves of the Company upto a sum of ₹23,000 Crore (including temporary loans obtained from the Company's Bankers in the ordinary course of business). At the 28th Annual General Meeting held on July 08, 2015, the shareholders have authorised the Board of Directors of the Company to create security to the extent of the borrowing limits approved by the members from time to time.

The total borrowings of the Company as on March 31, 2020 was ₹18,633.90 Crore. As per NHB guidelines, for the financial year ending March 31, 2021, the maximum amount that the Company can borrow shall not exceed 13 times of the net owned funds as per the last audited balance sheet. As on March 31, 2020, the NOF is ₹2123.44 Crore (net of Dividend payout) and hence our borrowing limit shall not exceed ₹27,604 Crore at the end of the year 2020-21. The Borrowing Power of ₹27,500 Crore sought by the Company will be valid till the outstanding borrowing of the Company reaches the limit approved at the AGM. Though the

approved limit is higher than the projected book size of ₹24,000 Crore for FY21, the limits will be availed by the Company only based on the actual requirement. However, a higher limit will help us to approach various Banks/ Institutions and have sufficient cost effective funds at our disposal.

In view of the above, it is considered desirable to increase the Company's existing borrowing limit from ₹23,000 Crore to ₹27,500 Crore. In order to comply with the requirements under Section 180(1)(c) of the Companies Act, 2013, consent of the members is sought through the resolution(s) proposed at Agenda No.8 by way of special resolution to enable the Board of Directors of the Company to borrow moneys upto a sum of ₹27,500 Crore (Rupees Twenty Seven Thousand and Five Hundred Crore) only, including the temporary loans obtained from Company's Bankers in the ordinary course of business. Accordingly, the aggregate amounts borrowed, which are outstanding at a given point of time shall not exceed the limit of ₹ 27,500/- Crore as recommended by the Board to the members for their consent.

The borrowings of the Company include term loans, overdraft facilities, issue of non-convertible debentures, commercial papers, acceptance of deposits from public etc. All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolutions, except for borrowings, if any, from Canara Bank, in which case Shri Shreekant M Bhandiwad, Dy. Managing Director and Shri Debashish Mukherjee, Director (Executive Director of Canara Bank), Shri L V Prabhakar (MD and CEO of Canara Bank) shall be deemed to be the interested directors.

The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.9 of the Notice.

As the Company is a housing finance institution and its main business is providing loans, borrowing through various sources is inevitable. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.10 - Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount not exceeding ₹4000 Crore, on private placement

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, a Company may, subject to the provisions of that section, make an offer or invitation for subscription of securities including non-convertible debentures by way of private

placement. Further, in terms of Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions, if any, of the said Act, Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, a Company shall not make a private placement of its securities unless the proposed offer of securities or invitation to subscribe securities has been previously approved by the shareholders of the Company by a Special Resolution, for each of the offers or invitations. In case of an offer or invitation for subscription to the Non-Convertible Debentures (NCD), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year.

At the 32nd AGM of the Company held on July 17, 2019 approval of the members of the Company was obtained for authorising the Board of Directors of the Company to Offer or Invite for subscription 'Non-Convertible Debentures (NCDs)' upto an amount of ₹6000 Crore only, on private placement basis, in one or more tranches, during the period of one year commencing from the said AGM until the conclusion of the ensuing AGM.

During FY20, the coupon rates for NCD's were very high compared to the rates offered by the Banks for term loans and discounted rates offered by arrangers for Commercial Papers. The Company had made efforts twice through the BSE electronic bidding platform and had to withdraw the offer due to higher coupon rates quoted by Bidders. However, after much negotiation the Company raised NCD amounting to ₹250 Crore at 7.85% during February, 2020, although the coupon rate was slightly higher than the rate of interest on loans being offered by the Banks at that point of time.

The outstanding of secured NCDs as on March 31, 2020 was ₹2570.88 Crore, which works out to 13.80% of the total borrowings. Now, since the Ministry of Finance has come out with various beneficial schemes for NBFCs/ HFCs like TLTRO 2.0, to address liquidity-related stress points and structural issues, and Banks are showing interest in investing in NCDs/Bonds issued by good NBFCs/ HFCs, there is scope for raising NCDs during the Current Financial Year. As per SEBI Circular SEBI/HO/DDHS/CIR/ P2018/144 dated November 26, 2018, SEBI has prescribed to raise one fourth (1/4) of incremental borrowings in a given financial year from debt market, which came into effect from April 01, 2019.

Keeping in view the above, volume of business of the Company, alternative sources of funds and cost of each of such source, and subject to the provisions of Section 42 of Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 and all other applicable provisions of the said Act, Directions/Guidelines by the Regulators like NHB, RBI, SEBI, etc. or any other statutory authorities issued from time to time, your Company intends to offer or invite subscription of bonds

or NCDs or tier II bonds, onshore and/or offshore, denominated in Indian Rupees and/or any foreign currency, for cash either at par or premium or at a discount to face value, issuance of Redeemable Non-Convertible Debentures (NCDs), secured or unsecured, such other securities described above upto an amount of ₹4,000 Crore (Rupees Four Thousand Crore) only, on private placement basis for a period of one year from the conclusion of the 33rd AGM until the conclusion of the next AGM, in one or more tranches, subject to the condition that the amount accepted in the form of the said Non-Convertible Debentures / Bonds / such other securities together with the existing borrowings and future borrowings would be within the limits specified by the members under section 180(1)(c) of Companies Act, 2013.

The terms of issue of such NCDs would depend upon the requirement of the funds, time of issue, market conditions and alternative sources of funds available to the Company and would be decided by the Board or the Committee, if any constituted by the Board. All the required details/disclosures relating to the issue would be made available in the standard/shelf disclosure document or respective information memorandum, as the case may be.

In order to issue Non-Convertible Debentures/bonds as per the proposed resolutions by way of an offer or invitation for subscription on private placement and in terms of the above mentioned provisions of the Companies Act, 2013, amended Acts from time to time and related rules, subject to Directions/ Guidelines by the Regulators or any other statutory authorities issued from time to time, the prior consent of the members is sought by way of a Special Resolution. All the related documents and registers referred in the Notice, which do not form part of the Annual Report, if any, are available for inspection at the Registered Office of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolutions. The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.10 of the Notice.

In terms of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013, read with Rule 14(2) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, in case of an offer or invitation for subscription to the Non-Convertible Debentures (NCD), it shall be sufficient if the Company passes a previous Special Resolution only once in a year for all the offers or invitation for such debentures during the year. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

In respect of Agenda No.11 – Further issue of shares/specified securities not exceeding ₹1000 Crore

The Company focuses on four key parameters viz., growth, asset quality, liquidity and profitability. The Company expects that the market may open up and there is a scope for growth and the company should be future-ready when the growth picks up/opportunity opens up. The expected growth rate necessitates infusion of fresh capital to build in adequate cushion in the borrowing capacity of the Company for next 3-4 years and to keep the Leverage Ratio at comfortable levels. There is a need to improve the leverage ratio considering the growth potential to be tapped.

At the 32nd AGM of the Company held on July 17, 2019 approval of the members of the Company was obtained for authorizing the Board of Directors of the Company for raising Tier I Capital – By way of issue of Qualified Institutional Placement (QIP) and/or Preferential shares to promoters and/or by any other mode of further issue of specified securities. Since the growth did not pick-up as expected during 2019-20 and the Company continued to deliver a better ROE, additional internal accruals have kept the CAR as well as leverage ratio at comfortable levels. Hence, the Company did not raise any capital during 2019-20, though approval was taken from the members.

Government of India and the Reserve Bank of India have taken several measures to revive the economy in general and Housing sector in particular, including the 'Housing for all' initiative by 2022. It is therefore anticipated that there will be gradual revival and demand for housing, particularly due to reduction in property prices and reduction in ROI.

In view of the company's overall expected growth, the Company proposes to issue Tier I Capital – By way of issue of Qualified Institutional Placement (QIP) and/or preferential shares to promoters and/or by any other mode of further issue of specified securities for the requirement of Funds. This is mainly to keep the Leverage Ratio at an optimum level and to ensure availability of funds at competitive rate.

Considering the cost, benefit, requirement of time etc., with reference to each of the alternative modes of raising funds to improve the Leverage Ratio of the Company, the Board has now recommended to raise funds not exceeding ₹1,000 Crore, through any/mix of allotment of shares through QIP mode, preferential shares to promoters, subject to the willingness of promoters, and Rights Issue.

This special resolution seeks to empower the Board to create, issue, offer and allot either in India or in the course of international offerings in one or more foreign markets, Equity Shares of the Company of face value of ₹2/- each, in one or more tranches through a private offering pursuant to a Qualified Institutions Placement ("QIP") by the issue of a placement document to Qualified Institutional Buyers

in terms of the SEBI (ICDR) Regulations and/or on preferential allotment basis to the promoter subject to their willingness, or by any other mode of further issue of specified securities or any combination thereof, for an amount not exceeding an aggregate of ₹1000 Crore (Rupees One Thousand Crores only), inclusive of such premium at such price(s) and on such terms and conditions as may be deemed appropriate by the Board (which term shall be deemed to include any committee thereof which the Board may constitute / have constituted) at its absolute discretion including the discretion to determine the categories of Investors to whom the issue, offer, and allotment shall be made considering the prevalent market conditions and other relevant factors and wherever necessary, in consultation with lead manager(s) and other agencies that may be appointed by the Board for the purpose of the Issue.

The Board shall issue Securities pursuant to this special resolution and utilize the proceeds for business purposes, including but not limited to meet capital expenditure and working capital requirements of the Company, repayment of debt, exploring acquisition opportunities and general corporate purposes. The special resolution seeks to empower the Board to issue the specified securities through issue of prospectus and/or placement document/ or other permissible/requisite offer document to any eligible person, including Qualified Institutional Buyers ("QIBs") or otherwise, foreign/resident investors (whether institutions, incorporated bodies, mutual funds, individuals or otherwise), venture capital funds (foreign or Indian), alternate investment funds, foreign institutional investors, foreign portfolio investor other than individuals, corporate bodies and family offices, qualified foreign investors, Indian and/or multilateral financial institutions, mutual funds, insurance companies, non-resident Indians, stabilizing agents, pension funds and/or any other categories of investors, whether they be holders of equity shares of the Company or not (collectively called the "Investors") as may be decided by the Board. The special resolution also seeks to empower the Board to offer a discount of not more than 5% or such other percentage as permitted on the QIP Floor Price calculated in accordance with the pricing formula provided under SEBI ICDR Regulations. The "Relevant Date" for this purpose will be the date of the meeting in which the Board decides to open the proposed issue of Equity Shares as may be determined by the Board. As the Issue may result in the issue of Equity Shares of the Company to investors who may or may not be members of the Company, consent of the members is being sought pursuant to Section 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, the SEBI ICDR Regulations and any other law for the time being in force and being applicable and in terms of the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. In case of QIP, allotment of securities would be completed within a period of 365 days from the date of passing the resolution set out at agenda no. 11. The securities issued will be listed on one or more stock exchanges in India.

Considering the present situation of COVID-19 pandemic, it seems that the normalcy in postal facility for the purpose of obtaining approval of members by way of postal ballot or holding of an extraordinary general meeting is not feasible for some more time. If the Company does not obtain approval from the members at this point of time, the same may have an impact on its liquidity ratio and other consequential inconveniences in the smooth functioning of the Company. Hence, this agenda item is considered unavoidable and forms part of this Notice, in terms of the Circular No.20/2020 issued by the Ministry of Corporate Affairs.

All the documents referred in the Notice are available for inspection at the Registered Office of the Company. The Board of Directors therefore, recommend the passing of the special resolution proposed at Agenda No.11 of the Notice.

The Directors or key managerial personnel of the Company or their relatives may be deemed to be concerned or interested in the proposed resolution to the extent of Equity Shares that may

be subscribed by the companies /institutions in which they are Directors, members or employees.

By Order of the Board of Directors
For Can Fin Homes Ltd.

Sd/-

Veena G Kamath
AGM & Company Secretary

Place: Bengaluru
Date: July 30, 2020

Registered Office:
No.29/1, 1st Floor,
Sir M N Krishna Rao Road, near Lalbagh West Gate,
Basavanagudi, Bengaluru – 560 004
CIN: L85110KA1987PLC008699

