

CFHRO SE CS LODR 104/2020

25/08/2020

ONLINE SUBMISSION

National Stock Exchange of India Ltd.,

Exchange Plaza, C-1, Block G,
Bandra Kurla Complex,
Bandra (E)
Mumbai – 400 051

NSE Symbol: CANFINHOME

BSE Limited

Corporate Relationship Department
25th Floor, P J Towers
Dalal Street, Fort,
Mumbai – 400 001

BSE Scrip Code: 511196

Dear Sirs,

Sub: Outcome of the Board meeting held on 25/08/2020

Ref: Our letter CFHRO SE CS LODR 101/2020 dated 17/08/2020

We wish to inform the outcome of the meeting of the Board of Directors of the Company held today i.e., 25/08/2020, Tuesday, at Bengaluru.

The results for Q1FY21, duly reviewed and recommended by the Audit Committee, has been approved by the Board of Directors of the Company at the above meeting.

Pursuant to Reg.33 of the said Regulations, we enclose the following:

- i. Statement of Standalone Un-audited Financial Results (Annexure-1) of our Company for the 1st quarter and 3 months ended 30/06/2020, which are prepared in accordance with the Indian Accounting Standards (Ind AS), duly signed by the Managing Director & CEO.
- ii. Limited Review Report for the said period issued by M/s. Varma & Varma, Chartered Accountants, the Statutory Auditors of the Company (Annexure-2).

A 'Nil' statement of deviation or variation in the prescribed format as required under Regulation 32 of the SEBI (LODR) Regulations, 2015 read with SEBI Circular No.CIR/CFD/CMDI/162/2019 dated 24/12/2019 is also enclosed herewith (Annexure-3).


The meeting of the Board of Directors commenced at 2:45 p.m. and concluded at 3:40 p.m.

This intimation of outcome of the Board meeting may please be treated as compliance made under Regulations 30 and 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The above intimation letter with annexures will be made available on the Company's website www.canfinhomes.com simultaneously.

Kindly take the above intimation and documents on record.

Thanking you,

Yours faithfully,
For Can Fin Homes Ltd.,



Veena G Kamath
AGM & Company Secretary



Encl: As above.



PART 1

(Rs. In lakhs)

Statement of Un-Audited Financial Results for the Quarter ended 30/06/2020					
Sl.No.	Particulars	Quarter Ended			For the Year
		3 months ended (30/06/2020)	3 months ended (31/03/2020)	3 months ended (30/06/2019)	Year Ended (31/03/2020)
		Un-audited & Reviewed	Audited	Un-audited & Reviewed	Audited
1	Income from Operations:				
	- Interest Income	52,210.63	52,505.06	48,201.30	2,01,890.59
	- Fees and Commission Income	29.30	376.69	212.90	1,150.72
	- Other Income	10.51	3.77	-	3.77
	Total Income from Operations	52,250.44	52,885.52	48,414.20	2,03,045.08
2	Expenditure:				
	- Finance Costs	33,082.51	33,658.81	32,936.82	1,34,420.98
	- Fees and Commission Expense	96.04	320.31	279.19	1,231.46
	- Employee Benefit expense	1,380.04	1,549.05	1,261.44	5,420.57
	- Depreciation and Amortisation	230.70	278.49	220.00	947.13
	- Provisions for Expected Credit Loss and Write offs	4,413.89	4,083.53	865.70	6,031.57
	- Other Expenses	442.46	1,103.05	561.13	3,164.73
	Total Expenditure	39,645.64	40,993.24	36,124.28	1,51,216.43
3	Profit Before Tax	12,604.80	11,892.28	12,289.92	51,828.65
4	Tax Expenses				
	- Current Tax	4,126.69	3,818.35	4,516.03	15,018.52
	- Deferred Tax	(837.40)	(1,017.34)	(324.29)	(802.22)
	Total Tax Expenses	3,289.29	2,801.01	4,191.73	14,216.31
5	Net Profit after Tax	9,315.51	9,091.27	8,098.18	37,612.35
	Other Comprehensive Income (net of tax)	20.32	22.25	51.13	171.03
6	Total Comprehensive Income	9,295.19	9,069.02	8,047.05	37,441.32
7	Paid-up equity share capital (Face value of ₹2/- per share)	2,663.31	2,663.31	2,663.31	2,663.31
8	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	2,12,343.54	2,12,343.54	1,75,555.28	2,12,343.54
		(As at 31/03/2020)	(As at 31/03/2020)	(As at 31/03/2019)	(As at 31/03/2020)
9	Earnings Per Share (EPS) (of ₹2/-each)	Not Annualised	Not Annualised	Not Annualised	
	(a) Basic	7.00	6.83	6.08	28.25
	(b) Diluted	7.00	6.83	6.08	28.25

NOTES:	
1	As required by Ind AS 109, the company has developed a model to calculate expected credit losses (ECL). Summary results from this model indicate that the company is carrying provisions in excess of its requirements. The Company is required to provide provisions as per prudential norms prescribed by NHB. The provisions held as per NHB norms are in excess of the provision required as per the ECL model.
2	The Company's main business is to provide loans for the purchase and construction of residential houses. The Company is also involved in the corporate insurance agency business activity; however it is not a separate reportable segment as per the Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013. As such there is no reportable segment(s), as per the IND AS "Operating Segments" specified under section 133 of the Companies Act, 2013.
3	The Company has maintained 100% Asset Cover on its secured redeemable non-convertible debentures as on June 30, 2020 (floating charge on hypothecation of book debts and receivables). That proceeds of the NCDs are used for the objects that were stated in the offer document(s).
4	The Statutory Auditors of the Company have carried out a limited review of the financial results for the quarter ended June 30, 2020 in compliance of Reg.33 of SEBI (LODR) Regulations, 2015. The above financial results have been reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on August 25, 2020.
5	<p>The world witnessed the outbreak of the novel Corona Virus (Covid-19), an infectious disease which World Health Organisation declared as a global pandemic. The disease engulfed the entire globe, leading to loss of human lives in millions and economic losses in trillions. India responded to this crisis with a nationwide lockdown with effect from March 24, 2020 which continues in major cities across the country with gradual withdrawal of lockdown and partial resumption of economic activities.</p> <p>The extent to which this pandemic will impact the business and financial results of the Company, at this point of time, depends on future developments which are, highly uncertain.</p> <p>In accordance with the RBI guidelines relating to COVID-19 Regulatory Package dated March 27, 2020, April 17, 2020, May 23, 2020 and clarification issued by RBI to Indian Bankers Association dated May 6, 2020 the Company has offered moratorium on the payment of instalments falling due between March 1, 2020 to August 31, 2020 to eligible borrowers. The moratorium period, has been excluded from the number of days past-due for the purpose of asset classification under Regulatory Income Recognition and Asset Classification norms (IRAC) as of June 30, 2020.</p> <p>As on June 30, 2020, Company holds a provision of Rs. 7,289.45 lakhs, which is more than the requirement as per the aforesaid RBI Circulars on 'COVID-19 Regulatory Package.</p>
6	In the Board meeting held on June 15, 2020, the Board of Directors had recommended a dividend of Rs 2 per share subject to approval of the shareholders at the Annual General Meeting.
7	Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated September 20, 2019, the Company opted u/s 115BAA of the Income Tax Act, 1961 to compute Income tax at the rate (i.e., 25.17%) from the financial year 2019-20 (second quarter onwards). The tax expense for the quarter and year ended March 31, 2020 is after considering the impact of revised tax rates.
8	The figures have been re-grouped wherever necessary.

In terms of our report attached,

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

Ravunniarath Kesavadas
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by Ravunniarath
Kesavadas
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R. Kesavadas
Partner
Membership No: 23862

Place: Bengaluru
Date: August 25, 2020

For and on behalf of the Board of Directors
of **M/s Can Fin Homes Ltd.,**

KOUSGI
SREENIVASA
MURTHY GIRISH
Digitally signed by
KOUSGI SREENIVASA
MURTHY GIRISH
Date: 2020.08.25
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Girish Kousgi
Managing Director & CEO

Varma & Varma

Chartered Accountants

Limited Review Report on unaudited quarterly financial results of Can Fin Homes Limited under Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Board of Directors of
Can Fin Homes Limited

1. We have reviewed the accompanying statement of unaudited financial results of Can Fin Homes Limited ("the Company") for the quarter ended on June 30, 2020 ("the Statement") being submitted by the Company pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations").
2. This Statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS 34), prescribed under section 133 of the Companies Act, 2013 as amended, read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations read with relevant circulars issued by SEBI. Our responsibility is to issue a report on these standalone financial results based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the applicable accounting standards prescribed under section 133 of the Companies Act 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with relevant circulars issued by SEBI, including the manner in which it is to be disclosed, or that it contains any material misstatement.

5. We draw your attention to Note 5 to the Statement which describes the impact of the COVID-19 pandemic on the Company's operations and financial position including the Company's estimates of the possible increase in impairment losses and the continuing uncertainties which may require changes in such estimates in the future.

Our opinion is not modified in respect of this matter.

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

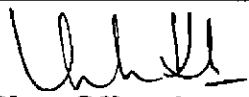
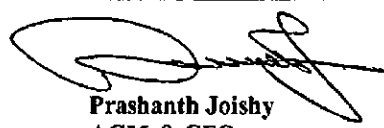
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R Kesavadas
Partner

M No. 23862

UDIN: 20023862AAAABQ2687

Place: Bengaluru
Date: 25/08/2020

Statement of Deviation / Variation in utilization of funds raised						
Name of listed entity	Can Fin Homes Ltd.					
Mode of Fund Raising	Public Issues / Rights Issues / Preferential Issues / QIP / Others					
Date of Raising Funds	Not applicable for Q1 FY21					
Amount Raised	Not applicable for Q1 FY21					
Report filed for Quarter ended	30/06/2020					
Monitoring Agency	Not applicable for Q1 FY21					
Monitoring Agency Name, if applicable	Not applicable for Q1 FY21					
Is there a Deviation / Variation in use of funds raised	Not applicable for Q1 FY21					
If yes, whether the same is pursuant to change in terms of a contract or objects, which was approved by the shareholders	---					
If Yes, Date of shareholder Approval	---					
Explanation for the Deviation / Variation	---					
Comments of the Audit Committee after review	---					
Comments of the auditors, if any	---					
Objects for which funds have been raised and where there has been a deviation, in the following table	---					
Original Object	Modified Object, if any	Original Allocation	Modified allocation, if any	Funds Utilized	Amount of Deviation/Variation for the quarter according to applicable object	Remarks if any
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 Vecna G Kamath AGM & CS						
 Prashanth Joishy AGM & CFO						
Deviation or variation could mean:						
(a) Deviation in the objects or purposes for which the funds have been raised or						
(b) Deviation in the amount of funds actually utilized as against what was originally disclosed or						
(c) Change in terms of a contract referred to in the fund raising document i.e. prospectus, letter of offer, etc						