

CFHRO SE CS LODR 050/2017

April 25, 2017

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 25/04/2017

Ref: Our letter CFHRO SE CS LODR 040/2017 dated 31/03/2017

Pursuant to Regulation 33 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations), we wish to inform that at the meeting of the Board of Directors of the Company held today i.e., 25/04/2017, the Audited Financial Results of the Company for the year ended on March 31, 2017 have been approved.

In relation to above, we enclose the following:

- Statement of Standalone Audited Financial Results (Annexure-1) of our Company for the IV quarter and financial year ended 31/03/2017, duly signed by the Managing Director of the Company.
- Auditor's Report and Report on Internal Financial Controls (Annexure -2) on the Standalone Audited Financial Results issued by M/s. K.P.Rao & Co., the Statutory Auditors of the Company.
- Declaration on Audit Report with unmodified opinion (Annexure -3)
- Additional Information in compliance with Chapter V of LODR Regulations, 2015 (Annexure -4)
- Certificate u/r 52(5) of the Regulations by M/s.SBICAP Trustee Company Ltd., the Debenture Trustee of the Company for the half year ended 31/03/2017 (Annexure-5)

We also wish to state that the following business items/matters inter alia have been transacted/ approved by the Board in its meeting held today:

a) Dividend:

The Board has recommended a dividend of Rs.10/- per equity share of the face value of Rs.10/- each to the shareholders of the Company for the financial year 2016-17. The dividend, if approved by the members, will be paid will be dispatched/remitted within two working days after the ensuing Annual General Meeting (30th AGM) of the Company.



b) Appointment of Statutory Auditor:

In accordance with the requirement of the Companies Act, 2013 on auditor's appointment, the current Statutory Auditors, M/s. K.P.Rao & Co., Chartered Accountants (Firm Registration No. 003135S) hold office upto the conclusion of the ensuing Annual General Meeting of the Company. As per the provisions of section 139(2) of the Companies Act, 2013, K.P.Rao & Co., Chartered Accountants, upon completion of prescribed term are not eligible for further appointment in our Company.

The Board of Directors on recommendation of the Audit Committee has recommended appointment of M/s Varma & Varma, Chartered Accountants (Firm Registration No. 004532S) as Statutory Auditors for an initial term of five years subject to approval of members at the ensuing Annual General Meeting.

Brief profile of M/s. Varma & Varma, Chartered Accountants:

Varma & Varma, Chartered Accountants was founded on 17th June 1935 in Kochi (Cochin) in Kerala, South India. Starting with its first office in Cochi, the Firm now has 27 partners located across 9 Offices spread over the States of Kerala, Tamil Nadu, Karnataka, Telangana and Maharashtra. The Firm engages around 400 personnel across these offices.

The firm is empanelled with the Comptroller & Auditor General of India (CAG), the Reserve Bank of India (RBI), World Bank, Securities & Exchange Board of India (SEBI), Audit Bureau of Circulations (ABC) etc.

c) 30th Annual general Meeting of the Company:

As approved by the Board, the 30th Annual General Meeting of the Company is scheduled to be held on Wednesday, 28th June, 2017 at 11:00 a.m. at J.S.S.Shivarathreeswara Centre Auditorium, 1st Main, 8th Block, Jayanagar, Bengaluru-560 082.

The meeting of the Board of Directors commenced at 10.00 a.m and concluded at 2:00 p.m.

This may please be treated as compliance made under Regulations 30, 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This intimation letter along with annexures will be made available on the Company's website www.canfinhomes.com on today.

The above intimation may please be taken on record.

Thanking you,

Yours faithfully,
For Can Fin Homes Ltd.,



Veena G Kamath
Company Secretary



ANNEXURE - 1



PART I				(Rs. in Lakh)		
Statement of Standalone Audited Results for the Quarter and year ended 31/03/2017						
Sl. No.	Particulars	Quarter Ended			Year Ended	
		3 months ended	Preceding 3 months ended	Corresponding 3 months ended in the previous year	Year to date figures for current period ended	Year to date figures for the previous year ended
		(31/03/2017)	(31/12/2016)	(31/03/2016)	(31/03/2017)	(31/03/2016)
		Audited	Un-audited	Audited	Audited	Audited
1	Income from Operations					
	(a) Net sales/income from operations (Net of excise duty)	36078.63	34948.51	29503.84	135206.70	108293.27
	(b) Other operating income	69.46	15.73	23.51	105.52	61.03
	Total Income from operations (net)	36148.09	34964.24	29527.35	135312.22	108354.30
2	Expenses					
	(a) Cost of materials consumed	0.00	0.00	0.00	0.00	0.00
	(b) Purchase of Stock-in-trade	0.00	0.00	0.00	0.00	0.00
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	0.00	0.00	0.00	0.00	0.00
	(d) Employee benefits expense	959.64	1043.12	824.41	3935.95	3305.67
	(e) Depreciation and amortisation expense	110.31	91.09	96.24	373.22	346.45
	(f) Other Expenses (any item exceeding 10% of the total expenses relating to continuing operations be shown separately)	1337.01	1404.15	992.44	5583.78	4968.08
	Total expenses	2406.96	2538.36	1913.09	9892.95	8620.20
3	Profit(+)/Loss(-) from operations before other income, finance costs and exceptional items (1±2)	33741.13	32425.88	27614.26	125419.27	99734.10
		0.00				
4	Other income		0.00	0.00	0.00	0.00
5	Profit(+)/Loss(-) from ordinary activities before finance costs and exceptional items (3 ± 4)	33741.13	32425.88	27614.26	125419.27	99734.10
6	Finance Costs	22694.00	23037.34	19670.52	88402.74	74348.03
7	Profit(+)/Loss(-) from ordinary activities after finance costs but before exceptional items (5 ± 6)	11047.13	9388.54	7943.74	37016.53	25386.07
8	Exceptional items	0.00	0.00	0.00	0.00	0.00
9	Profit(+)/Loss(-) from ordinary activities before tax (7 + 8)	11047.13	9388.54	7943.74	37016.53	25386.07
10	Tax expense	3960.50	3428.19	3198.95	13490.65	9675.56
11	Net profit (+)/ Loss (-) from ordinary activities after tax (9 ± 10)	7086.63	5960.35	4744.79	23525.88	15710.51
12	Extraordinary Items (net of tax expense ₹ _ Lakh)	0.00	0.00	0.00	0.00	0.00
13	Net profit(+)/ Loss(-) for the period (11±12)	7086.63	5960.35	4744.79	23525.88	15710.51
14	Share of profit/(loss) of associates	NA	NA	NA	NA	NA
15	Minority Interest	NA	NA	NA	NA	NA
16	Net profit(loss) after taxes, minority interest and share of profit/(loss) of associates (13 ± 14 ± 15)	7086.63	5960.35	4744.79	23525.88	15710.51



17	Paid-up equity share capital (Face value of ₹10/- per share)	2662.02	2662.02	2662.02	2662.02	2662.02
18	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	104967.64	85141.77	85141.77	104967.64	85141.77
		(As at 31/03/2017)	(As at 31/03/2016)	(As at 31/03/2016)	(As at 31/03/2017)	(As at 31/03/2016)
19.i	Earnings Per Share (EPS)(before extraordinary items) (of ₹10/-each) (not annualised)					
	(a) Basic	26.62	22.39	17.82	88.38	59.02
	(b) Diluted	26.62	22.39	17.82	88.38	59.02
19.ii	Earnings Per Share (EPS)(after extraordinary items) (of ₹10/-each) (not annualised)					
	(a) Basic	26.62	22.39	17.82	88.38	59.02
	(b) Diluted	26.62	22.39	17.82	88.38	59.02



Standalone Statement of Assets & Liabilities as at 31/03/2017			
		(' In lakh)	
	Particulars	As at (Current year end) 31/03/2017	As at (Previous year end) 31/03/2016
A	EQUITY AND LIABILITIES		
1	Shareholders' funds		
	(a) Share Capital	2662.25	2662.25
	(b) Reserves and Surplus	104967.64	85141.77
	(c) Money received against share warrants		0.00
	Sub-total - Shareholders' funds	107629.89	87804.02
2	Share application money pending allotment	47.62	47.62
3	Minority Interest		
4	Non-Current liabilities		
	(a) Long-term borrowings	802824.86	696544.72
	(b) Deferred tax liabilities (net)	11364.63	5686.98
	(c) Other long-term liabilities	0.00	0.00
	(d) Long-term provisions	8158.70	6966.38
	Sub-total - Non-current liabilities	822348.19	709198.08
5	Current liabilities		
	(a) Short-term borrowings	320526.83	162590.75
	(b) Trade payables	0.00	0.00
	(c) Other current liabilities	82602.77	103988.44
	(d) Short-term provisions	12607.94	11967.00
	Sub-total - Current liabilities	415737.54	278546.19
	TOTAL - EQUITY AND LIABILITIES	1345763.24	1075595.91
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	1016.97	888.75
	(b) Goodwill on reconciliation	0.00	0.00
	(c) Non-current investments	1593.50	1493.50
	(d) Deferred Tax Assets (net)	0.00	0.00
	(e) Long-term loans and advances	1327953.38	1061670.09
	(f) Other non-current assets		
	Sub-total - Non-current assets	1330563.85	1064052.34
2	Current assets		
	(a) Current investments	0.00	0.00
	(b) Inventories	0.00	0.00
	(c) Trade receivables	0.00	0.00
	(d) Cash and Cash equivalents	1995.29	1735.22
	(e) Short-term loans and advances	13182.52	9790.70
	(f) Other current assets	21.58	17.65
	Sub-total - Current assets	15199.39	11543.57
	TOTAL - ASSETS	1345763.24	1075595.91

NOTES:

- The Company's main business is to provide loans for the purchase and construction of residential houses. All other activities revolve around the main business. As such there is no reportable segment(s), as per the Accounting Standard on Segment Reporting AS-17 issued by the ICAI.
- Tax expense for the quarter/ year to date is after adjusting the Deferred Tax provision.
- Other expenditure includes ₹1065 lakh being the provision made on standard assets as per the Directions issued by the National Housing Bank.
- Vide circular NHB(ND)/DRS/Pol. 62/2014 dated May 27, 2014, the National Housing Bank (NHB) had directed Housing Finance Companies (HFCs) to provide for deferred tax liability in respect of the balance in the "Special Reserve" created under section 36(1)(viii) of the Income Tax Act, 1961 as on 31/03/14 and permitted to adjust the same from retained earnings. Further, vide circular NHB(ND)/DRS/Pol. 65/2014 dated August 22, 2014, NHB has permitted HFCs to create the Deferred Tax Liability over a period of 3 years, in a phased manner in the ratio of 25:25:50 starting from FY 2014-15. Accordingly, the Company has to create ₹7399.96 lakh DTL in three years. The Company has transferred the third and final tranche of 50% being ₹3700 lakhs in this year ending 31/03/17 from the General Reserves to DTL (₹3700 lakhs transferred in the previous two years).
- The share application money pending allotment ₹47.62 lakhs pertains to 10583 shares which are kept in abeyance pending receipt of final orders from the Hon'ble High Court of Kerala in respect of the Rights Issue on 09/03/15..
- The Company has maintained 100% Asset Cover on its secured redeemable non-convertible debentures as on 31/03/2017 (floating charge on hypothecation of book debts and receivables) and that proceeds of NCDs are used for the objects that were stated in the offer document(s).
- The Board of Directors have recommended a dividend of Rs.10/- per share of face value Rs. 10/- each. The payment is subject to the approval of shareholders in the ensuing Annual General Meeting of the Company.
- The Government of India, vide notification dated March 30, 2016 and Circular no. 4/2016 dated April 27, 2016 had amended The Companies (Accounting Standards) Rules, 2016 effective from March 30, 2016. According to the amended rules the proposed dividend will not be recorded as a liability as at March 31, 2017 (Refer para 8.5 of AS4 - Contingencies and Events occurring after the Balance Sheet date). Accordingly the proposed dividend (refer para 3.5) of Rs.10/- each per share and tax thereon are not recognised as Liability in the annual accounts of the financial year ending 31/03/17. However, the same will be considered as Liability on approval of shareholders at ensuing Annual General Meeting.
- The figures of the quarter ended March 31, 2017 and March 31, 2016 are the balancing figures between audited figures in respect of full financial year and published year to date figures upto the third quarter of the relevant financial year.



- 10 During the year an amount of Rs. 281.87 lakh earlier shown under the head Land & Building was bifurcated into Land (Rs. 97.77 lakh) and Building (Rs. 187.10 lakh). This has resulted in reversal of accumulated depreciation and thereby increase in profit by Rs. 58.85 lakh during the year which is disclosed as Prior Period Adjustment in the statement of Profit & Loss.
- 11 The above audited results were reviewed as recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on April 25, 2017. The Statutory Auditors have expressed an unqualified audit opinion in compliance with Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 12 The figures have been re-grouped wherever necessary.

Registered Office :

CIN:L85110KA1987PLC008699

No.29/1, I Floor, Sir M N Krishna Rao Road, Basavanagudi

Basavanagudi, Bengaluru -560 004.

59: Fax:080-26565746

Email: investor.relationship@canfinhomes.com

Web: www.canfinhomes.com

Place: Bengaluru

Date: 25/04/2017

For and on behalf of the Board of Directors
of Can Fin Homes Ltd.,


S.K.HOTA

MANAGING DIRECTOR



K. VISWANATH	K. P. RAO
DESMOND J. REBELLO	K.P. SIDDHARTH
H.N. ANIL	V. NARAYANAN
MOHAN R LAVI	S. PRASHANTH
	P. RAVINDRANATH

Phone	: 080 - 2558 7385 / 2558 6814
Fax	: 080 - 2559 4661
E-mail	: info@kpao.co.in
	: admin@kpao.co.in

INDEPENDENT AUDITOR'S REPORT
TO THE MEMBERS OF CANFIN HOMES LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Can Fin Homes Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2017 and the Statement of Profit and Loss for the year then ended the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information [in which are incorporated the returns for the year ended on that date audited by the branch auditors of the Company's 116 branches]

Management's Responsibility for the Financial Statements

- 1) The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

- 2) Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H. N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kprao.co.in
admin@kprao.co.in

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

- 3) In our opinion and to the best of our information and according to the explanations given to us, the financial statements, give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
- (i) in case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017
 - (ii) in case of the Statement of Profit and Loss, of the profit for the year ended on that date and
 - (iii) in case of cash flow statement, the Cash Flows of the Company for the year ended on that date

Other Matter

- 4) We did not audit the financial statements of 116 branches included in the financial statements of the Company whose financial statements reflect total assets of Rs. 7843.59/- crores as at 31st March 2017 and total revenues of Rs. 772.45/- crores for the year ended on that date, as considered in the financial statements.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- 5) As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of subsection (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
- 6) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- 7) As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - (c) The Balance Sheet and the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

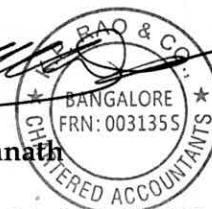
(f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in the financial statements - Refer Note 17 to the financial statements
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The amounts which were required to be transferred to the Investor Education and Protection Fund by the Company have been transferred by the Company.
- iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are accordance with the books of accounts maintained by the Company and as produced to us by the Management - Refer Note 36 to the financial statements.

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

Place : Bangalore
Date : 25th April 2017


K.Viswanath
Partner
Membership No. 022812



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

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

- (i)
- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) According to the information and explanations given to us, the fixed assets of the company have been physically verified by the management during the year and no material discrepancies were found on such verification.
- (c) According to the information and explanations given to us, the title deeds of immovable property are held in the name of the Company.
- (ii) The company is a service company, primarily rendering housing finance services. Accordingly, it does not hold any inventory of goods. Thus, Para 3(ii) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (iii) The company has not granted any loans secured or unsecured to Companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Therefore, the provisions of Para 3(iii) of the Companies (Auditors Report), 2016 are not applicable to the Company.
- (iv) According to the information and explanations given to us, the company does not have any loans, investments, guarantees, and security which are subject to provisions of section 185 and 186 of the Companies Act, 2013. Therefore, the provisions of Para 3(iv) of the Companies (Auditors Report), 2016 are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under to the extent applicable and the Housing Finance Companies (NHB) directions, 2010 with regard to the deposits accepted from public.
- (vi) The Central Government has not prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013, for any of the services rendered by the Company.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

(vii)

- (a) According to the information and explanations given to us and as per our verification of the records of the company, the company has been regular in depositing undisputed statutory dues including Income Tax, Cess and other statutory dues with the appropriate authorities during the year.
- (b) According to the information and explanations given to us and as per our verification of the records of the company, the following disputed amounts of tax/duty that have not been deposited with appropriate authorities as at 31st March 2017 are given below :

Statute	Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum to which amount is pending
Income Tax Act, 1961	Income Tax	4,48,13,345	AY 2007-08	The Company has filed an appeal before the Hon'ble High Court of Karnataka which has been admitted and yet to be heard.
Income Tax Act, 1961	Dividend Distribution Tax u/s.115-O	16,43,798	AY 2011-12	The Company has determined the probable liability of Rs.1,97,812/- and made a request for adjustment of the said amount against the refund due. Revised orders awaited from the Department.
Total		4,64,57,143		

- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of dues to banks, financial institutions and debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

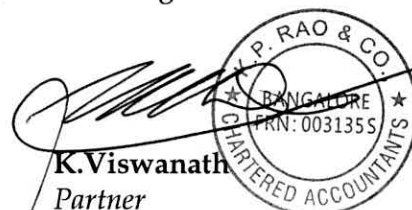
Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

- (x) According to the information and explanations given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) According to the information and explanations given to us, the company is not a Nidhi Company and therefore the provisions of Para 3(xii) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xiii) According to the information and explanations given to us and based on the examination of records, the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and therefore the provisions of Para 3(xiv) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on the examination of records, the company has not entered into any non-cash transactions with directors or persons connected with him, therefore the provisions of Para 4(xiv) of the Companies (Auditors Report), 2016 is not applicable to the Company.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

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

K.Viswanath
Partner
Membership No. 022812

Place : Bangalore
Date : 25th April 2017



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H. N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

[REFERRED TO IN PARAGRAPH (6) OF OUR REPORT OF EVEN DATE]

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

1. We have audited the internal financial controls over financial reporting of the Company as at 31 March 2017 in conjunction with our audit of the Balance Sheet as at 31st March 2016, the statement of profit and loss and cash flow statement annexed for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The management is responsible for establishing and maintaining internal financial controls based on the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('the ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required the Companies Act, 2013 ('the Act').

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting,



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H. N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

Assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

6. A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. This includes those policies and procedures that :
- i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
 - ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the company; and
 - iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

7. Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564

K. P. RAO & CO.

CHARTERED ACCOUNTANTS

'Poornima', IInd Floor, 25, State Bank Road,
Bangalore - 560 001. Karnataka, India.

K. P. RAO
K. VISWANATH
DESMOND J. REBELLO
H.N. ANIL
MOHAN R LAVI
K.P. SIDDHARTH
V. NARAYANAN
S. PRASHANTH
P. RAVINDRANATH

Phone : 080 - 2558 7385 / 2558 6814
Fax : 080 - 2559 4661
E-mail : info@kpao.co.in
admin@kpao.co.in

Opinion

8. In our opinion, the Company has maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Place : Bangalore
Date : 25th April 2017

K. Viswanath
Partner
Membership No. 022812



Branches

Mysore : 74, 2nd Main, First Stage, Vijayanagar, Mysore - 570 017. Ph.: 0821-2517971
Chennai : Flat 2-A, Second Floor, Shruthi 3/7, 8th Cross Street, Shastrinagar, Adayar, Chennai - 600 020. Ph.: 044- 2490 3137 / 4551 1564



CAN FIN HOMES LTD

Registered Office

No. 29/1, 1st Floor, M N Krishna Rao Road

Basavanagudi, BENGALURU – 560 004

E-mail: investor.relationship@canfinhomes.com

Tel : 080 26564259 Fax :080 26565746

Web: www.canfinhomes.com

CIN:L85110KA1987PLC008699

DECLARATION IN RESPECT OF AUDIT REPORT WITH UNMODIFIED OPINION FOR THE
FINANCIAL YEAR ENDED MARCH 31, 2017

This is to confirm that M/s. K.P Rao & Co., Statutory Auditors of the Company have issued Audit Reports with unmodified opinion on the Standalone Financial Results for financial year ended March 31, 2017.

This declaration is provided pursuant to Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Can Fin Homes Ltd.,

Atanu Bagchi

DGM & Chief Financial Officer

Place: Bengaluru

Date: 25/04/2017



CAN FIN HOMES LTD (CIN: L85110KA1987PLC008699)		
Audited Standalone Financial Results for the quarter and year ended March 31, 2017		
Additional Information in compliance with Chapter V (Obligations of Listed Entity which has listed its Non-Convertible Debt Securities) of SEBI (LODR) Regulations, 2015		
(a)	Details of Credit Rating: <u>(i) India Rating & Research Pvt Ltd-Fitch Group</u> Non-Convertible debentures Rs. 5000 Crore (Rs.3602 Cr issued and outstanding as on the date of rating letter) Subordinated Debt Programme Rs.300 Crore <u>(ii) Credit Analysis and Research Ltd</u> Secured Taxable Non-Convertible debentures Rs. 5000 Crore (Rs.3602 Cr issued and outstanding as on the date of rating letter) Subordinated Debt Programme Rs.300 Crore <u>(iii) ICRA Limited</u> Non-Convertible debenture programme Rs.5000 Crore Subordinated Debt Programme Rs.300 Crore	"IND AAA" (Outlook: Stable) "IND AAA" (Outlook: Stable) "CARE AAA" (Reaffirmed) "CARE AAA" (Reaffirmed) [ICRA] AAA (Outlook : Negative) [ICRA] AAA (Outlook : Negative)
(b)	Asset Cover available: The listed Secured Redeemable Non-Convertible Debentures of the Company aggregating Rs. 3602 Crore as on March 31st, 2017 are secured by first and exclusive floating charge on specified assets by way of Hypothecation of book debts and receivables. The total asset coverage works out to Rs.3603.95 against the outstanding Rs. 3602 Crore, thereof exceeds the required cover to be maintained for the said debentures.	
Particulars		As on March 31, 2017
(c)	Debt Equity Ratio	
(d)	Previous due dates for the payment of interest of Non-Convertible Debentures (01/10/2016 to 31/03/2017)	Details as per Annexure A
(e)	Next due date for the payment of interest of Non-Convertible Debentures (01/04/2017 to 30/09/2017)	Details as per Annexure B
(f)	Previous due dates for payment of Principal along with interest of Non-Convertible Debentures from 01/10/2016 to 31/03/2017	Details as per Annexure C
(g)	Debt Service Coverage ratio	0.5
(h)	Interest Service Coverage ratio	1.4
(i)	Net Worth (Rs. in Cr) (as on 31/03/17)	1,076.30
(j)	Net Profit after Tax (Rs. in Lakhs)	235.26
(k)	Earnings per share (EPS) – Basic (Amount in Rs.)	88.38

*As per Companies Act, 2013 and Rule 18(7)(b) (ii) of Companies (Share Capital and Debenture) Rules, 2014, made there under, Housing Finance Companies registered with the National Housing Bank are exempted from creating a Debenture Redemption Reserve in respect of privately placed debentures, due to which DRR is not applicable to the Company.



ANNEXURE A

Details of previous due dates for payment of Interest of Non-Convertible Debentures from 01/10/2016 to 31/03/2017:				
Sl.	ISIN	Due dates of Interest during last half year	Interest Amount (In Crore)	Status of Payment
1	INE477A07118 (Rs.100 Cr.)	08/10/2016	8.44	Paid
2	INE477A07126 (Rs.150 Cr.)	31/10/2016	12.615	Paid
3	INE477A07134 (Rs.100 Cr.)	24/11/2016	8.45	Paid
4	INE477A08025 (Rs.100 Cr.)	03/12/2016	8.94	Paid
5	INE477A07043 (Rs.100 Cr.)	10/12/2016	8.78	Paid
6	INE477A07142 (Rs.100 Cr.)	22/12/2016	8.55	Paid
7	INE477A07027 (Rs.162 Cr.)	13/01/2017	16.28	Paid
8	INE477A07035 (Rs.88 Cr.)	23/01/2017	8.84	Paid
9	INE477A07159 (Rs.125 Cr.)	07/01/2017	10.75	Paid
10	INE477A07050 (Rs.200 Cr.)	06/02/2017	17.6	Paid
11	INE477A07167 (Rs.165 Cr.)	17/02/2017	14.6	Paid

ANNEXURE B

Details of next due dates for payment of Interest of Non-Convertible Debentures from 01/04/2017 to 30/09/2017:				
Sl.no	ISIN	Due dates of Interest during next half year	Interest Amount (In Crore)	Status
1	INE477A07175 (Rs.300 Cr.)	24/04/2017	25.11	Paid
	INE477A07068 (Rs.200 Cr.)	28/04/2017	17.38	Not due
	INE477A07076 (Rs.100 Cr.)	29/05/2017	8.70	Not due
	INE477A07183 (Rs.100 Cr.)	29/05/2017	8.55	Not due
	INE477A07084 (Rs.200 Cr.)	02/07/2017	17.60	Not due
	INE477A07092 (Rs.200 Cr.)	07/08/2017	17.42	Not due
	INE477A07100 (Rs.100 Cr.)	10/09/2017	8.69	Not due
	INE477A07191 (Rs.300 Cr.)	16/09/2017	23.55	Not due

ANNEXURE C

Details of previous due dates for payment of Principal along with interest of Non-Convertible Debentures from 01/10/2016 to 31/03/2017:				
Sl.no	ISIN	Due dates of Redemption during last half year	Principal Amount (In Crore)	Status
1	INE477A07043 (Rs.100 Cr.)	10/12/2016	100	Paid
2	INE477A07027 (Rs.162 Cr.)	13/01/2017	162	Paid
3	INE477A07035 (Rs.88 Cr.)	23/01/2017	88	Paid

Details of next due dates for payment of Principal along with interest of Non-Convertible Debentures from 01/04/2017 to 30/09/2017:
NIL



Corporate Office: Apeejay House, 6th Floor,
3 Dinshaw Wachha Road, Churchgate, Mumbai - 400 020.
Tel : 022-4302 5555 Fax : 022-2204 0465
Email : helpdesk@sbicaptrustee.com



**SBICAP Trustee
Company Ltd.**

Ref.no.440/SBICTCL/DT/2017-18

Date: 25th April, 2017

**To,
Can Fin Homes Limited
No. 29/1, Sir M. N. Krishna Rao Road,
Lalbagh West, Basavanagudi,
Bangalore - 560 004**

Sub:-Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for Debentures Issue of Rs.2500 Crores and Rs.3000 Crores by CanFin Homes Limited ("Issuer"), for the half year ended 31st March, 2017.

Dear Sir/ Madam,

We are acting as Debenture Trustee for the captioned Debenture Issue. Pursuant to Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, ('Regulations') we state that we have taken note of the disclosures made by the Issuer under Regulation 52(4) of the Regulations.

**Yours faithfully,
For SBICAP Trustee Company Limited**

Authorised Signatory