Can Fin Homes Ltd
(Sponsor: CANARA BANK)
HOME LOANS • DEPOSITS
Translating Dreams into Reality

CAN FIN HOMES LTD
Registered Office
No. 29/1, 1st Floor, Sir 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

CFHRO SE CS LODR 082/2019
July 22, 2019

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: Submission of Investor Presentation - Post Q1 FY20 results

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are attaching the Investor Presentation, post Q1 FY20 results.

The investor presentation is also made available on the Company's website www.canfinhomes.com

The above intimation and document may please be taken on record.

Thanking you,

Yours faithfully,
For Can Fin Homes Ltd.,

Veena G Kamath
Company Secretary

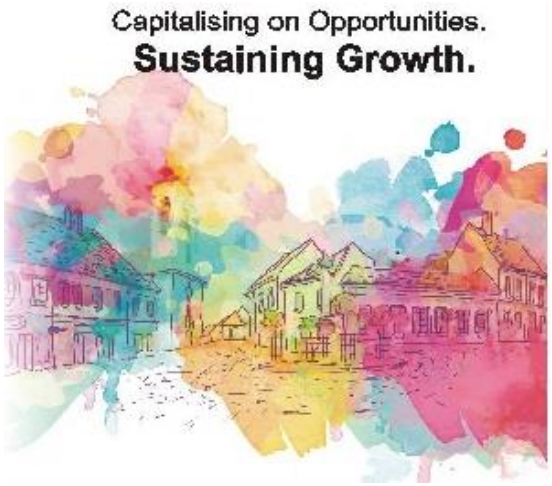
Encl: As above.

CAN FIN HOMES LTD. R.O. BASAVANAGUDI BENGALURU

Can Fin Homes Ltd. .. at a Glance

31 years of vision, passion and progress

Offering home loans since 1987….. and it is just a beginning



Information to Investors

1QFY20 ended June 2019

About us

Legacy

- 31 year old institution registered as a deposit taking HFC with NHB
- Promoted by Canara Bank in the year 1987 with the shareholding of 30%
- Listed in 1991. Carries a legacy of an uninterrupted dividend payment since inception
- Dominance in South (67% of business) as at June 2019

Focus

- To promote ownership in home lending across India, with a motto of friendship finance and good service - with focus on retail lending
- To focus on Housing loan to Individuals (@ June 2019: 89.40% of loan book for Housing; 10.6% Non Housing)
- To have strong fundamentals with ethical & transparent practices and prudent underwriting

Reach

- Headquartered in Bangalore with 5 Clusters (Bangalore, Chennai, Hyderabad, Delhi & Mumbai)
- Pan-India presence with 154 branches, 21 Affordable Housing Loan Centers & 14 Satellite Offices as on date; spread across 21 States / Union Territories
- Added 138 branches/ Satellite Offices in the last Five years

Financials

- Last Five Year Growth /CAGR (Mar.14 ~ Mar.19) :
- Fresh Approvals: 15%, Disbursements: 17% Loan Book: 26%
- Net Interest Income: 32% Operating Profit: 33%, PAT: 31%
- Successfully migrated to IND AS w.e.f. 01.04.2018 as prescribed U/S 133 of the Companies Act 2013

Vision

- To reach the loan book size of Rs.40,000 Crore by March 2022 (CAGR of 26%) with high asset quality, transparent & best ethical practices and prudent risk management practices.

Board of Directors

	Name of the Director	Designation	Occupation
	Smt. Bharati Rao	Chairperson (Independent)	Former Dy. Managing Director State Bank of India
	Shri Debashish Mukherjee	Director (Promoter)	Executive Director Canara Bank
	Shri Shreekant M Bhandinad	Dy. Managing Director	Dy.General Manager Canara Bank (On Deputation to Can Fin Homes)
	Shri G Naganathan	Director (Independent)	Practicing Chartered Accountant
	Dr. Yeluri Vijayanand	Director (Independent)	Former Dy. Managing Director State Bank of India
	Shri S Subramanian	Director (Promoter)	General Manager Canara Bank

Performance Highlights - Q1 FY20

- ✓ Loan Book surpassed the Rs.19,000 crore mark with a clientele base of 1.50 lakh
- ✓ Y-o-Y Loan Book growth of 17%
- ✓ Successfully migrated to the new accounting standard (Ind AS)
- ✓ PBT & PAT for Q1FY19 rose by 9% & 10% (Y-o-Y) respectively
- ✓ NIM: 3.18%, RoAA*: 1.73%, RoE*: 17.64% and EPS: Rs.6.8 * Annualised
- ✓ Cost to Income Ratio : 15.40%.
- ✓ Gross NPA & Net NPA stood at 0.73% & 0.52%.
- ✓ 88.75% of fresh loan approvals during Q1 were for Housing & 11.25% for Non-Housing
- ✓ 67.9% of fresh loan approvals were to Salaried & Professionals while 32.1% were to SENP segment
- ✓ 71% of the outstanding loan book as at Jun'19 comes from Salaried & Professionals; 89% from HL

Performance Highlights – Q1 FY20

Amount in Rs. Crore

Sl. No.	Particulars	As per IND AS		As per IND AS	
		Jun'19 (3m)	Jun'18 (3m)	Mar'19 (3m)	Mar'19 (12m)
1	New Approvals	1,289	1,209	1,738	5,952
2	Disbursements	1,276	1,164	1,554	5,479
3	**Outstanding Loan Book**	**19,003**	**16,189**	**+812**	**18,381**
4	Interest Income	477.24	396.36	451.38	1699.55
7	Fees & Other Income	6.90	6.27	12.43	31.80
6	**Total Income**	**484.14**	**402.64**	**463.81**	**1731.35**
7	Interest Expenditure	328.64	270.06	313.73	1169.10
8	Other Expenditure	23.94	19.94	32.50	91.65
9	**Total Expenditure**	**352.58**	**290.00**	**346.23**	**1260.75**
10	**Profit Before Tax & Provisions**	**131.56**	**112.63**	**117.58**	**470.60**
11	**Net Interest Income**	**148.60**	**126.30**	**137.65**	**530.45**
12	**Cost to Income Ratio (%)** (excluding Bad debts)	**15.40%**	**15.04%**	**16.30%**	**16.30%**

Performance Highlights – Q1 FY20

Amount in Rs. Crore

Sl. No.	Particulars	As per IND AS		As per IND AS	
		Jun'19 (3m)	Jun'18 (3m)	Mar'19 (3m)	Mar'19 (12m)
13	**Profit Before Tax & Provisions**	**131.56**	**112.63**	**117.58**	**470.60**
14	Provision for SA & NPA	8.66	0.00	1.09	1.09
15	**Profit Before Tax**	**122.90**	**112.63**	**116.49**	**469.51**
16	Provision for Taxation & DTL	41.92	39.41	49.47	172.77
17	**Profit After Tax**	**80.98**	**73.22**	**67.02**	**296.74**
18	Other Comprehensive Income (net of tax)	0.51	(0.10)	0.78	0.03
19	**Total Comprehensive income**	**80.47**	**73.33**	**67.79**	**296.77**
20	Earnings per share*	6.08	5.50	5.03	22.28
21	Gross NPA	139.32	107.30	113.51	113.51
22	**Gross NPA Ratio (%)**	**0.73%**	**0.66%**	**0.62%**	**0.62%**
23	Net NPA	98.57	71.43	79.47	79.47
24	**Net NPA Ratio**(%)	**0.52%**	**0.44%**	**0.43%**	0.43%

* Financials for Previous Period realigned / restated as per revised Accounting Policy adopted under Ind-AS

Key Financial Ratios – Q1 FY20

Amount in Rs. Crore

Sl. No.	Particulars	PERIOD ENDED		
		Jun'19	Jun'18	Mar'19
1	**Return on Avg Assets (Annualised)**	**1.73%**	**1.85%**	**1.76%**
2	**Return on Avg Equity (Annualised)**	**17.64%**	**21.16%**	**18.16%**
3	Earning Per Share (Rs.)	6.08	5.50	22.29
4	**Net Interest Margin (%)**	**3.18%**	**3.18%**	**3.14%**
5	Yield (%)	10.22%	9.99%	10.06%
6	Cost (%)	7.93%	7.71%	7.90%
7	Spread (%)	2.30%	2.28%	2.17%
8	Avg. Business Per Branch	108.30	105.20	111.86
9	Avg. Business per Employee	24.64	24.76	25.99
10	**Cost Income Ratio (%)**	**15.40%**	**15.04%**	**16.30%**
11	**DER**	**8.97**	**9.99**	**9.37**
12	**Capital Adequacy Ratio (%)**	**19.59**	**18.70**	****16.44**
13	of this Tier I Ratio (%)	17.96	16.72	**14.64

** Term deposit amounting to Rs.257.00 crore (matured on 10/04/2019) held with Canara Bank is reduced in the computation of Net Owned funds. The CAR without considering the aforesaid term deposit would have been 19.24%

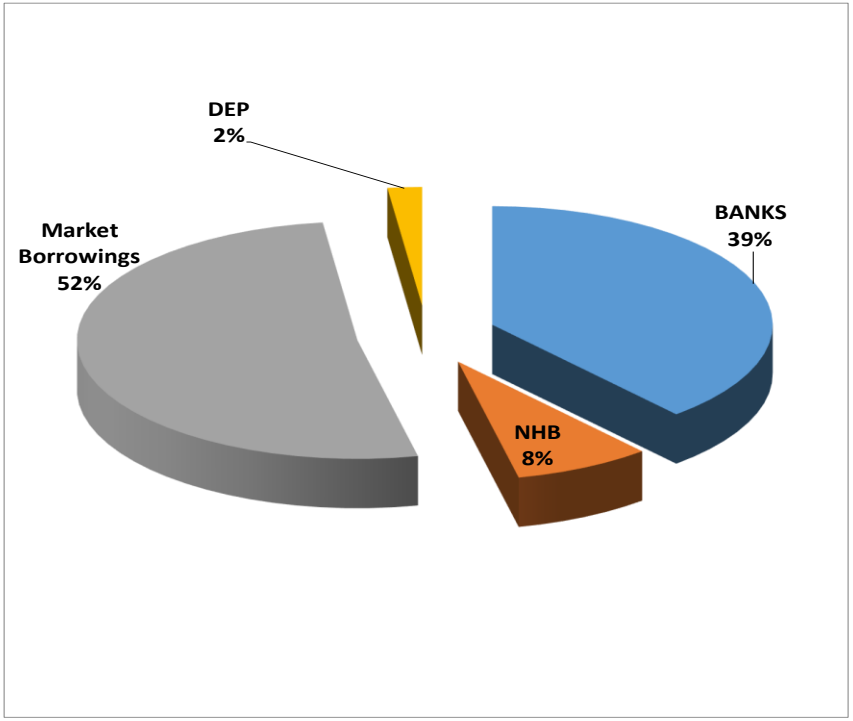
Lending Basket

Category-wise Product-wise Distribution of Loan Book

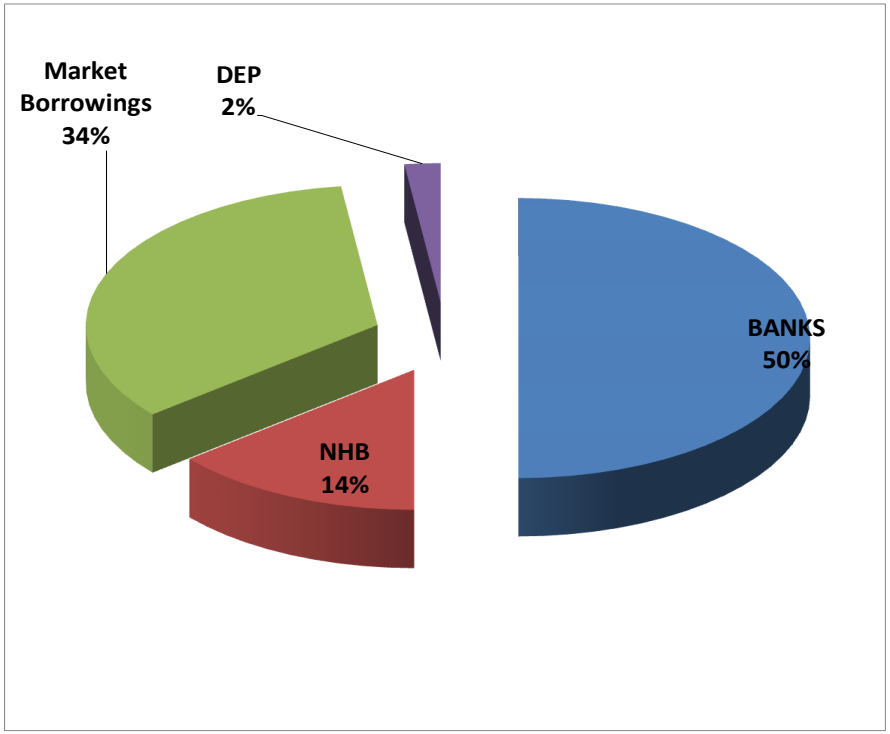
Sl . No.	Category/Product		June-18	Sept-18	Dec-18	Mar-19	Jun-19
			O/s Amt.	O/s Amt.	O/s Amt.	O/s Amt.	O/s Amt.
1	Salaried & Professionals						
	i)	Housing Loans	10,915	11,294	11,624	12012	12441
	ii)	Top-up Personal Loans	346	369	388	412	425
	iii)	Mortgage Loans/ Flexilap	359	370	371	379	382
	iv)	Loans for Sites	127	130	138	234	244
	v)	Others	36	38	38	27	28
		Sub Total	**11,783**	**12,201**	**12,559**	**13,064**	**13,520**
		(As a % to total)	*73%*	*72%*	*71%*	*71%*	*71%*
2	Non Salaried Class- Self Employed & Non Professionals						
	i)	Housing Loans	3,673	3,939	4,169	4407	4552
	ii)	Top-up Personal Loans	174	193	209	222	231
	iii)	Mortgage Loans/Flexi Lap	440	463	485	508	515
	iv)	Loans for Sites	50	54	59	96	100
	v)	Others	55	58	59	56	57
		Sub Total	**4,392**	**4,707**	**4,981**	**5289**	**5455**
		(As a % to total)	*27%*	*28%*	*28%*	*29%*	*29%*
3	Builder Loans		7	10	12	11	11
		(As a % to total)	*0.04%*	*0.06%*	*0.06%*	*0.06%*	*0.06%*
4	Staff Loans		17	17	17	17	17
		Grand Total	**16,199**	**16,935**	**17,569**	**18,381**	**19,003**

Funding Basket

Funding Mix @ Jun 2018 (as %)



Funding Mix @ Jun 2019 (as %)



- Cost of borrowings contained at 7.93 % (vs 7.90% in Mar 19 & 7.71% in Jun'18,)

Liquidity Position

Amount in Rs. Crore

Particulars	For Q2FY20 ending Sep.19	For Q3FY20 ending Dec.19	For Q4FY20 ending Mar.20
Un-availed limits as on 30/06/2019 (Opening Balance)	**2,045.88**	**1,808.56**	**1,578.01**
Add: Collections	1,350.00	1,500.00	1,600.00
Less: Interest and principal repayment on borrowings	1,487.32	1,980.55	1,701.71
Less: Disbursements	1,300.00	1,350.00	1,450.00
Add: Future borrowings	1,200.00	1,600.00	1,700.00
Surplus/(Deficit) – (Closing Balance)	**1,808.56**	**1,578.01**	**1,726.30**

In addition to the above, the Company has un-availed limit of Rs.4,738 Crore with money market

Branch network

(154 branches + 21 AHLCs + 14 Satellite Offices)

Punjab – Jalandhar

Chandigarh

Rajasthan – Alwar, Jaipur, Mansarovar, Kota, Udaipur, Ajmer, Jodhpur, Jhotwara, Jagatpura

Gujarat - Ahmedabad, Vadodara, Surat, Rajkot, Jamnagar, Bhavnagar

MP - Bhopal, Gwalior, Indore, Mandideep, Jabalpur, Pithampur, Sagar, Rewa

Chhattisgarh - Raipur, Bilaspur, Bhilai

Maharashtra – Kolhapur, Navi Mumbai, Mumbai, Nagpur, Panvel, Kalyan, Pune, Nashik, Boisar, Chakan, Hinjewadi, Aurangabad,

Karnataka - Bengaluru (21 branches), Belgaum, Davanagere, Hubli, Mysore, Mangalore, Mandya, Shimoga, Tumkur, Udupi, Hassan, Doddaballapur, Ramanagaram, Attibele, Thanisandra, Whitefield, Dharwad.

Kerala - Calicut, Kochi, Thiruvananthapuram, Thrissur, Shoranur, Neyyattinkara

Odisha - Bhubaneshwar, Berhampur Jharsuguda

Bihar - Patna

Tamilnadu - Hosur, Chennai (9 branches) , Madurai, Namakkal, Trichy, Coimbatore, Salem, Erode, Vellore, Thiruchengode, Dindigul, Karur, Virudhunagar, Tirunelveli, CBE- P N Palyam, Tirupur,, Kumbakonam, Thoothukudi, Gobichettipalayam, Thirumangalam, Batlagundu.

Goa

Pondicherry

West Bengal - Durgapur

Uttar Pradesh - Lucknow, Meerut, Noida, Greater Noida, Agra, Varanasi, Allahabad, Kanpur,Ghaziabad , Jhansi,

Uttarakhand – Dehradun, Haridwar

Andhra Pradesh – Bhimavaram, Kadapa,Nellore, Ongole, Tirupathi, Guntur, Kakinada, Vizag, Vijayawada, Vizag-Steel Plant, Rajahmundry, Kurnool, Vizianagaram, Gollapudi, Tenali , Eluru, Mangalagiri

Telangana - Hyderabad (8 branches), Siddipet, Warangal, Karimnagar, Khammam, Sangareddy,Ghatkesar, A S Rao Nagar.

Delhi - Nehru Place, Pitampura

Haryana - Gurgaon, Manesar, Sonepat, Faridabad, Dharuhera, Rewari, Karnal, Ambala, Rohtak, Palwal

Strategic Initiatives

- ✓ **Affordable Housing Loan Centres (AHLCs) .. 21 as of now. Proposal to add more during the year**
  Upcountry units dedicated to cater to GRHS / LUH / CLSS (PMAY) .. opened by upgradation of erstwhile Sos

- ✓ **Introduction of the 3rd and 4th Centralised Processing Centres (CPC) in Delhi and Chennai**
  In addition to the existing CPCs at Bangalore and Hyderabad, the 3rd and 4th CPCs have become operational in Delhi and Chennai during the quarter.

- ✓ **Induction of Specialist Officers (CA/CS/Legal/IT Professionals) & Management Trainees (MBAs)**
  HR initiative for Competency building in key functional areas and facilitating Succession Plan

- ✓ **Exclusive 'Annual Resetting of Rate of Interest' Scheme**
  Customer benefit measure aimed at improved retentionlevel

- ✓ **Foray in to distribution of Insurance Products through Corporate Agency**
  Tie up with the agencies for alternate source of income apart from de-risking the portfolio

Strategic Initiatives

✓ **Branch expansion focus on Tier II/III Growth Centres .. Pan India**

Network increased from 41 branches as at Mar'11 .. to 140 at Mar'16 .. to 189 now (175 Br/AHLCs + 14 SOs)

Of this Non- South network increased from 18 branches at Mar'11 .. to 40 at Mar'16 .. to 70 presently (70 Br/AHLCs +1 SO)

✓ **Contribution of Non-South units to New Business/ Approvals increased from 23% for FY16 to 33% for Q1FY20**

Share of these branches in Total Loan Book increased from 24% at March 2016 to 29% as at June 2019

Pop Group	No. of Branches			Share in Sanctions		Share in loan book		YoY Gr for FY1 20
	Mar.16	New Add	Jun19	Mar 16	Jun 19	Mar.16	Jun 19	Loan Book
Metro	54	12	66	72%	56%	77%	66%	11%
Non Metro	56	53	109	28%	44%	23%	34%	30%

Future Outlook

Vision 2022 :

- ✓ Loan book size of Rs.40,000 Cr by the end of FY2022 (CAGR of 26%)

Business Budget for 2019-20:

- ✓ Loan book size of Rs.23,000 Cr vs Rs.18,381 Cr at Mar'19 (+25%)

Branch Expansion Plan for 2019-20:

- ✓ 20 New Branches to be opened in growth centres
- ✓ Total Network (Branch/AHLC & SOs) to reach 200 by Mar'20

- ✓ Focus on Affordable Housing with a proper mix of Non-Housing segments
- ✓ Salaried & Professional class would continue to be our niche segments
- ✓ Raising of fresh equity upto Rs.1000 Crore through Rights Issue/QIP / Pref Share

Being expressed during Investor/ Analyst Meet, TV Interviews, Press Releases, one-to-one interactions etc.

NPA position and action taken

- ✓ **Gross NPA stood at Rs.139.32 crore (0.73%) and Net NPA at Rs 98.57 crore (0.52%) as on 30th June 2019**

  Net slippage during the quarter: Rs.25.80 crore (Rs 39.80 during Q1 FY 18-19)

- ✓ **Action has been initiated under SARFAESI in 746 accounts amounting to Rs.114.84 crore**

  Possession of securities taken (Symbolic/Physical) in respect of 469 accounts amounting to Rs.75.35 Crore

- ✓ **During FY20, SARFAESI action initiated in 260 accounts (Rs 43 Crore)**

  Out of the above, symbolic/physical possession taken in 146 accounts (Rs 21.85 crore)

The forward looking statements and projections, if any, contained in this presentation are predictions and involve known and unknown risks, uncertainties and other factors including the future changes or developments, the competitive environment, ability to implement the strategies and initiatives, technological changes, political, economic, regulatory and social conditions in India etc. that may cause the actual results, performance and achievements of CFHL to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements or other projections.

Thank You