

CFHRO SE CS LODR 039/2018

April 28, 2018

ONLINE SUBMISSION

<p>✓ <b>National Stock Exchange of India Ltd.,</b>                  Exchange Plaza, C-1, Block G,                  Bandra Kurla Complex,                  Bandra (E)                  Mumbai – 400 051</p> <p>NSE Symbol: CANFINHOME</p>	<p><b>BSE Limited</b>                  Corporate Relationship Department                  25th Floor, P J Towers                  Dalal Street, Fort,                  Mumbai – 400 001</p> <p>BSE Scrip Code: 511196</p>
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Dear Sirs,

Sub: Outcome of the Board meeting held on 28/04/2018  
 Ref: Our letter CFHRO SE CS LODR 028/2018 dated 02/04/2018  
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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., 28/04/2018, Saturday at Bengaluru, the Audited Financial Results of the Company for the year ended on March 31, 2018 have been approved.

In relation to the above, we enclose the following:

- i. Statement of Standalone Audited Financial Results (Annexure-1) of our Company for the IV quarter and financial year ended 31/03/2018, duly signed by the Managing Director of the Company.
- ii. Auditor's Report and Report on Internal Financial Controls (Annexure -2) on the Standalone Audited Financial Results issued by M/s. Varma & Varma, the Statutory Auditors of the Company.
- iii. Declaration on Audit Report with unmodified opinion (Reg.33) and statement in terms of Reg.52(7) (Annexure -3)
- iv. 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 31/03/2018 will be sent separately.

We are pleased to inform you that the Board of Directors of the Company have recommended a final dividend of Rs.2/- per equity share of the face value of Rs.2/- each to the shareholders of the Company for the financial year 2017-18, subject to the approval of the shareholders at the ensuing Annual General Meeting (31st AGM) of the Company.



The meeting of the Board of Directors commenced at 11:30 a.m. and concluded at 05:15 p.m.

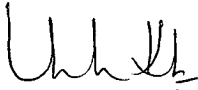
This may please be treated as compliance made under Regulations 30, 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This intimation letter along with annexures will be made available on the Company's website [www.canfinhomes.com](http://www.canfinhomes.com) today.

The above intimation may please be taken on record.

Thanking you,

Yours faithfully,  
For Can Fin Homes Ltd.,



Veena G Kamath  
Company Secretary





PART I

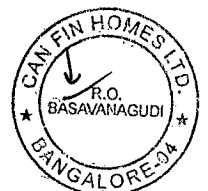
(Rs. in Lakh)

## Statement of Standalone Audited Results for the Year ended 31/03/2018

Sl. No.	Particulars	3 months ended (31/03/2018) Audited	Preceding	Corresponding 3 months ended in the previous year (31/03/2017) Audited	Year to date	Year to date
			3 months ended (31/12/2017) Un-audited		figures for current period ended (31/03/2018) Audited	figures for the previous year ended (31/03/2017) Audited
1	<b>Income</b>					
	(a) Revenue from operations	39,948.59	39,209.62	36,078.63	1,54,389.72	1,35,306.31
	(b) Other income	11.10	273.44	69.46	316.48	5.91
	<b>Total Revenue</b>	<b>39,954.96</b>	<b>39,483.06</b>	<b>36,148.09</b>	<b>1,54,706.20</b>	<b>1,35,312.22</b>
2	<b>Expenses</b>					
	(a) Finance cost	25,576.29	25,046.51	22,694.00	98,077.88	88,402.74
	(b) Employee benefits expense	1,279.67	1,084.40	959.64	4,416.24	3,935.95
	(c) Other Expenses	1,179.00	1,837.41	1,337.01	6,097.85	5,642.63
	(d) Depreciation and amortisation expense	86.64	80.39	110.31	308.66	373.22
	<b>Total expenses</b>	<b>28,121.60</b>	<b>28,048.70</b>	<b>25,100.96</b>	<b>1,08,900.63</b>	<b>98,354.54</b>
3	<b>Profit before exceptional and extraordinary items and tax(1-2)</b>	<b>11,833.36</b>	<b>11,434.35</b>	<b>11,047.13</b>	<b>45,805.56</b>	<b>36,957.68</b>
4	Exceptional Items		-	-	-	-
5	<b>Profit before extraordinary items and tax(3-4)</b>	<b>11,833.36</b>	<b>11,434.34</b>	<b>11,047.13</b>	<b>45,805.56</b>	<b>36,957.68</b>
6	Extraordinary items		-	-	-	(58.85)
7	<b>Profit before tax(5-6)</b>	<b>11,833.36</b>	<b>11,434.35</b>	<b>11,047.13</b>	<b>45,805.56</b>	<b>37,016.53</b>
8	Tax expense	4,286.90	3,424.36	3,960.50	15,628.14	13,490.65
	(a) Current Tax	3,430.24	2,899.38	3,427.00	12,868.62	11,513.00
	(b) Deferred Tax	856.66	524.98	533.50	2,759.52	1,977.65
9	<b>Net Profit after tax(7-8)</b>	<b>7,546.45</b>	<b>8,009.99</b>	<b>7,086.63</b>	<b>30,177.43</b>	<b>23,525.88</b>
7	Paid-up equity share capital (Face value of ₹2/- per share) (excluding Forfeited shares Rs. 0.23 lakh)	2,663.31	2,662.25	2,662.25	2,663.31	2,662.25
8	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	1,31,986.37	1,04,967.64	1,04,967.64	1,31,986.37	1,04,967.64
	(As at 31/03/2018)	(As at 31/03/2017)	(As at 31/03/2017)	(As at 31/03/2018)	(As at 31/03/2017)	
9	Earnings Per Share (EPS) (of ₹2/-each)	Not Annualised	Not Annualised	Not Annualised		
	(a) Basic	2.83	3.01	2.66	22.67	17.68
	(b) Diluted	2.83	3.01	2.66	22.67	17.68

## Part II

	Particulars	As at (Current year end) 31/03/2018 (Audited)	As at (Previous year end) 31/03/2017 (Audited)
A	<b>EQUITY AND LIABILITIES</b>		
1	Shareholders' funds		
	(a) Share Capital	2,663.31	2,662.25
	(b) Reserves and Surplus	1,31,986.37	1,04,967.64
	(c) Money received against share warrants		
	Sub-total - Shareholders' funds	1,34,649.69	1,07,629.89
2	Share application money pending allotment	-	47.62
3	Minority Interest		
4	Non-Current liabilities		
	(a) Long-term borrowings	8,72,125.34	8,02,824.86
	(b) Deferred tax liabilities (net)	14,124.16	11,364.63
	(c) Other long-term liabilities	-	-
	(d) Long-term provisions	11,910.42	10,949.80
	Sub-total - Non-current liabilities	8,98,159.92	8,25,139.29



5	Current liabilities		
	(a) Short-term borrowings	3,24,535.17	3,08,115.01
	(b) Trade payables		
	Total outstanding dues of micro and small enterprises	-	-
	Total outstanding dues of creditors other than micro and small enterprises	869.61	232.67
	(c) Other current liabilities	2,20,968.66	94,781.92
	(d) Short-term provisions	1,514.26	1,905.65
	Sub-total - Current liabilities	5,47,887.69	4,05,035.26
	<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>15,80,697.29</b>	<b>13,37,852.06</b>
B	ASSETS		
1	Non-Current Assets		
	(a) Fixed Assets	957.00	1,016.97
	(i) Property, Plant and Equipment	957.00	1,016.97
	(ii) Intangible Assets	-	-
	(b) Goodwill on reconciliation	-	-
	(c) Non-current investments	1,593.50	1,593.50
	(d) Deferred Tax Assets (net)	-	-
	(e) Long-term loans and advances	15,09,509.06	12,92,241.03
	(i) Loans	15,09,509.06	12,92,241.03
	(ii) Others	-	-
	(e) Other non-current assets	920.01	748.23
	Sub-total - Non-current assets	15,12,979.57	12,95,599.73
2	Current assets		
	(a) Current investments	-	-
	(b) Inventories	-	-
	(c) Trade receivables	21.05	-
	(d) Cash and Cash equivalents	981.49	1,247.06
	(e) Short-term loans and advances	71.94	111.96
	(f) Other current assets	66,643.25	40,893.30
	Sub-total - Current assets	67,717.72	42,252.33
	<b>TOTAL - ASSETS</b>	<b>15,80,697.29</b>	<b>13,37,852.06</b>

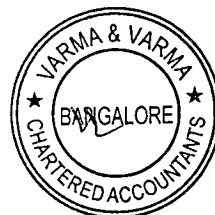
NOTES:

- 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 ₹210 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).
- During the financial year 2017-18, 52,915 equity shares of ₹ 2 each (in lieu of 10,583 equity shares of ₹ 10 each, which were kept in abeyance during the Rights Issue made by the Company in March 2015) were allotted as per the judgement of Hon'ble High Court of Kerala.
- The Company has maintained 100% Asset Cover on its secured redeemable non-convertible debentures as on 31/03/2018 (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.2/- per share of face value Rs. 2/- 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 of Rs.2/- each per share and tax thereon are not recognised as Liability in the annual accounts of the financial year ending 31/03/18. 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, 2018 and March 31, 2017 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.
- During the previous year an amount of Rs.281.27 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 previous year which is disclosed as Prior Period Adjustment in the statement of Profit & Loss.
- 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 28, 2018. 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.
- 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.  
 Ph: 080-26564259: Fax:080-26565746  
 Email: investor.relationship@canfinhomes.com  
 Web: www.canfinhomes.com

Place: Bengaluru  
 Date: 28/04/2018



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

S.K.HOTA  
 MANAGING DIRECTOR



**INDEPENDENT AUDITORS' REPORT**

To,  
The Members,  
Can Fin Homes Limited

**Report on the Financial Statements**

We have audited the accompanying financial statements of M/s Can Fin Homes Limited ("The Company") which comprise the Balance Sheet as at 31<sup>st</sup> March 2018, the Profit and Loss Statement and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information [in which are incorporated the returns of for the year ended on that date audited by the branch auditors of the Company's 132 branches].

**Management's Responsibility for the Financial Statements**

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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows 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 provisions of the Act for safeguarding 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 adequate 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**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's 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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 of the state of affairs of the company as at March 31, 2018 and its profit and its cash flow for the year ended on that date.

### Other Matter

We did not audit the financial statements of 132 branches included in the financial statements of the Company whose financial statements reflect total assets of Rs.10,176.92 crores as at 31st March 2018 and total revenues of Rs.956.69 for the year ended on that date, as considered in the financial statements. The financial statements of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors. Our opinion is not modified in respect of this matter.

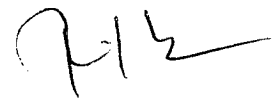
### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the Annexure (Annexure A) a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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 appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from branches not visited by us.
  - c) The report on the accounts of 132 branch offices audited under section 143 by a person other than the company's principal auditor has been forwarded to us as required by sub-section (8) of section 143 and have been dealt with in preparing our report in the manner considered necessary by us.



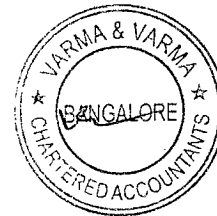
- d) The Balance Sheet, Profit and Loss Statement, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- f) On the basis of written representations received from the directors as on 31 March 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018, from being appointed as a director in terms of Section 164(2) of the Act.
- g) With respect to the adequacy of the internal financial control over financial reporting of the company and the operating effectiveness of such control, refer to our separate report in "Annexure B",
- h) 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 pending litigations disclosed as contingent liabilities in Note 26 to the financial statements, the impact if any on the final settlement of the litigations is not ascertainable at this stage.
- ii. The Company has not entered into any long-term contracts including derivative contracts which require provision for foreseeable losses as per law or applicable accounting standards and
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company except as disclosed in Note 9.2 to the financial statements

For VARMA & VARMA  
Chartered Accountants  
FRN 004532S



**R Kesavadas**  
Partner  
M.No.23862

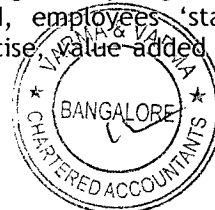
Place: Bangalore  
Date : 28-04-2018



**ANNEXURE A TO THE AUDITORS' REPORT**

Annexure referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our Independent Auditors Report of even date on the Financial Statement of Can Fin Homes Limited for the year ended 31<sup>st</sup> March 2018

- (i)
- (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets. In our opinion, the records require further improvement with respect to situation of fixed assets.
- (b) We are informed that the fixed assets of the company located at the 152 branches including the Centralised Processing Centre and the Head Office have been physically verified by the persons in-charge as at the year-end except in the case of seven branches as reported by branch statutory auditors and no major discrepancies were noticed. In our opinion the frequency of verification of fixed assets of the company is adequate.
- (c) The title deeds of the immovable property of the company are held in its name.
- (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 Order is not applicable.
- (iii) As informed, 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.
- (iv) According to the information and explanations given to us and based on the audit procedures conducted by us, the Company has not given Loans, guarantees, investments or securities which fall under the purview of Sections 185 & 186 of the Companies Act, 2013.
- (v) The provisions of sections 73 to 76 of the Companies Act, 2013 are not applicable to a nonbanking financial company. The company has however complied with the provisions of the Housing Finance Companies (NHB) Directions, 2010 with regard to the deposits accepted from public and other relevant provisions of the Companies Act, 2013 and the rules framed thereunder to the extent applicable. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the company except as disclosed in Note 9.2 to the financial statements
- (vi) As per the information and explanation given to us, the Central Government has not prescribed the 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.
- (vii)
- (a) According to the information and explanation given to us and as per our verification of the records of the company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, duty of customs, duty of excise, value added tax, cess and



any other statutory dues with the appropriate authorities and no material statutory dues have been outstanding for more than six months from the due date as at the year end.

- (b) According to the information and explanation given to us and as per our verification of the records of the Company, the following disputed amounts of tax/ duty have not been deposited with appropriate authorities as at 31<sup>st</sup> March 2018

Statute	Nature of dues	Amount	Period to which the amount relates	Forum to which amount is pending
Income Tax Act, 1961	Income Tax	3,55,200	AY 2003-2004	Commissioner Income Tax Appeals
Income Tax Act, 1961	Income Tax	15,61,002	AY 2004-2005	Deputy Commissioner Income Tax
Income Tax Act, 1961	Income Tax	5,68,55,315	AY 2006-2007	High Court of Karnataka
Income Tax Act, 1961	Income Tax	4,46,27,242	AY 2007-2008	High Court of Karnataka
	Dividend Distribution Tax-u/s 115-O	16,43,798	AY 2011-2012	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

- (viii) According to information and explanation given to us and as per our verification of the records of the company, the company has not defaulted in repayment of its dues to bank/financial institution/government/debenture holders during the year.
- (ix) The Company has not raised moneys by way of Initial Public offer or further public offer. The term loans raised have been applied for the purposes for which they were raised. The Company has also raised working capital loans with no repayment schedule and being working capital loans the reporting requirements of utilization is not commented upon.
- (x) According to the information and explanations given to us and as per our verification of the records of the company, no fraud either on or by the company has been noticed or reported during the year.
- (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) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such



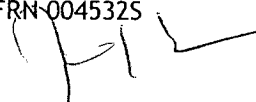
transactions have been disclosed in the financial statements as required by the applicable accounting standards.

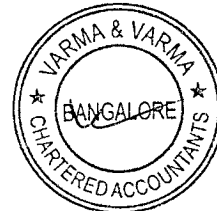
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

Place: Bangalore

Date : 28-04-2018

For VARMA & VARMA  
Chartered Accountants  
FRN-0045325

  
R Kesavadas  
Partner  
M. No.23862



**ANNEXURE - B TO THE AUDITORS' REPORT**

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

We have audited the internal financial controls over financial reporting of M/s Can Fin Homes Limited ("the Company") as of 31<sup>st</sup> March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('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 under the Companies Act, 2013.

**Auditors' Responsibility**

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 on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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**

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. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) 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 (3) 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**

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

**Opinion**

In our opinion, the Company has, 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 31<sup>st</sup> March 2018, 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 on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**Other Matters**

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting insofar as it relates to 132 branches is based on the corresponding auditors' reports of the auditors of such branches.

Place: Bangalore

Date : 28-04-2018

For VARMA & VARMA  
Chartered Accountants  
FRN 004532S



*R Kesavadas*  
R Kesavadas  
Partner  
M. No.23862

**CAN FIN HOMES LTD**

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Web: [www.canfinhomes.com](http://www.canfinhomes.com)

CIN:L85110KA1987PLC008699

**DECLARATION IN RESPECT OF AUDIT REPORT WITH UNMODIFIED OPINION FOR THE  
FINANCIAL YEAR ENDED MARCH 31, 2018**

This is to confirm that M/s. Varma & Varma, Statutory Auditors of the Company have issued Audit Reports with unmodified opinion on the Standalone Financial Results for financial year ended March 31, 2018.

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: 28/04/2018



**STATEMENT INDICATING 'NO DEVIATIONS' IN THE USE OF PROCEEDS OF ISSUE OF  
NON-CONVERTIBLE DEBENTURES DURING THE HALF YEAR ENDED MARCH 31, 2018**

This is to confirm that, during the half year ended 31/03/2018, there were no deviations in the use of proceeds of issue of Non-convertible debentures, from the objects stated in the offer document.

This statement is provided pursuant to Regulation 52(7) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Can Fin Homes Ltd.,

↓  
Atanu Bagchi  
DGM & Chief Financial Officer

Place: Bengaluru  
Date: 28/04/2018



CAN FIN HOMES LTD (CIN: L85110KA1987PLC008699)																							
Audited Standalone Financial Results for the half year ended March 31, 2018																							
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)	<p><b>Details of Credit Rating:</b></p> <p><b>(i) India Rating &amp; Research Pvt Ltd-Fitch Group</b></p> <p>Secured Non-Convertible debentures Rs. 8000 Crore ( Rs.4802 Cr issued and outstanding as on the date of rating letter) "IND AAA" (Outlook Negative)</p> <p>Subordinated Debt Programme Rs.300 Crore "IND AAA" (Outlook: Stable)</p> <p><b>(ii) Credit Analysis and Research Ltd</b></p> <p>Secured Taxable Non-Convertible debentures Rs. 8000 Crore (Rs.4802 Cr issued and outstanding as on the date of rating letter) "CARE AAA" (Under credit watch with developing implications)</p> <p>Subordinated Debt Programme Rs.300 Crore "CARE AAA" (Under credit watch with developing implications)</p> <p><b>(iii) ICRA Limited</b></p> <p>Secured Non-Convertible debenture programme Rs.8000 Crore [ICRA] AAA (Outlook : Negative)</p> <p>Subordinated Debt Programme Rs.300 Crore [ICRA] AAA (Outlook : Negative)</p>																						
(b)	<p><b>Asset Cover available:</b></p> <p>The listed Secured Redeemable Non-Convertible Debentures of the Company aggregating Rs. 4,802 Crore as on March 31, 2018 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.4,804.67 against the outstanding Rs. 4,802 Crore, thereof exceeds the required cover to be maintained for the said debentures.</p>																						
	<table border="1"> <thead> <tr> <th>Particulars</th> <th>As on March 31, 2018</th> </tr> </thead> <tbody> <tr> <td>(c) Debt Equity Ratio</td> <td>10.34</td> </tr> <tr> <td>(d) Previous due dates for the payment of interest of Non-Convertible Debentures (01/10/2017 to 31/03/2018)</td> <td>Details as per Annexure A</td> </tr> <tr> <td>(e) Next due date for the payment of interest of Non-Convertible Debentures (01/04/2018 to 30/09/2018)</td> <td>Details as per Annexure B</td> </tr> <tr> <td>(f) Previous due dates for payment of Principal along with interest of Non-Convertible Debentures from (01/10/2017 to 31/03/2018)</td> <td>Details as per Annexure C</td> </tr> <tr> <td>Next due dates for payment of Principal along with interest of Non-Convertible Debentures from (01/04/2018 to 30/09/2018)</td> <td>Details as per Annexure D</td> </tr> <tr> <td>(g) Debt Service Coverage ratio</td> <td>0.31</td> </tr> <tr> <td>(h) Interest Service Coverage ratio</td> <td>1.47</td> </tr> <tr> <td>(i) Net Worth (Rs. in Cr) (as on 31/03/18)</td> <td>1,346.50</td> </tr> <tr> <td>(j) Net Profit after Tax (Rs. in Cr)</td> <td>301.77</td> </tr> <tr> <td>(k) Earnings per share (EPS) – Basic (Amount in Rs.)</td> <td>22.67</td> </tr> </tbody> </table>	Particulars	As on March 31, 2018	(c) Debt Equity Ratio	10.34	(d) Previous due dates for the payment of interest of Non-Convertible Debentures (01/10/2017 to 31/03/2018)	Details as per Annexure A	(e) Next due date for the payment of interest of Non-Convertible Debentures (01/04/2018 to 30/09/2018)	Details as per Annexure B	(f) Previous due dates for payment of Principal along with interest of Non-Convertible Debentures from (01/10/2017 to 31/03/2018)	Details as per Annexure C	Next due dates for payment of Principal along with interest of Non-Convertible Debentures from (01/04/2018 to 30/09/2018)	Details as per Annexure D	(g) Debt Service Coverage ratio	0.31	(h) Interest Service Coverage ratio	1.47	(i) Net Worth (Rs. in Cr) (as on 31/03/18)	1,346.50	(j) Net Profit after Tax (Rs. in Cr)	301.77	(k) Earnings per share (EPS) – Basic (Amount in Rs.)	22.67
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\*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 01/10/2017 to 31/03/2018:

Sl.No.	ISIN	Due dates of Interest during last half year	Interest Amount (In Crore)	Status of Payment
1	INE477A07118 (100 Cr)	09-10-2017	8.44	Paid
2	INE477A07209 (440 Cr)	24-10-2017	34.01	Paid
3	INE477A07126 (150 Cr)	30-10-2017	12.62	Paid
4	INE477A07217 (122 Cr)	15-11-2017	9.48	Paid
5	INE477A07134 (100 Cr)	24-11-2017	8.45	Paid
6	INE477A08025 (100 Cr)	04-12-2017	8.94	Paid
7	INE477A07142 (100 Cr)	22-12-2017	8.55	Paid
8	INE477A07159 (125 Cr)	08-01-2018	10.75	Paid
9	INE477A07225 (400 Cr)	12-01-2018	30.28	Paid
10	INE477A07050 (200 Cr)	06-02-2018	17.6	Paid
11	INE477A07167 (165 Cr)	17-02-2018	14.6	Paid
12	INE477A07233 (200 Cr)	27-02-2018	15.36	Paid

**ANNEXURE B**

Details of next due dates for payment of Interest of Non-Convertible Debentures from 01/04/2018 to 30/09/2018:

Sl.no	ISIN	Due dates of Interest during next half year	Interest Amount (In Crore)	Status
1	INE477A07175 (300 Cr)	23-04-2018	25.11	Paid
2	INE477A07068 (200 Cr)	28-04-2018	17.38	Paid
3	INE477A07241 (600 Cr)	18-05-2018	47.34	Not yet due
4	INE477A07183 (100 Cr)	27-05-2018	8.55	Not yet due
5	INE477A07076 (100 Cr)	28-05-2018	8.7	Not yet due
6	INE477A07076 (100 Cr)	28-06-2018	0.73	Not yet due
7	INE477A07084 (200 Cr)	02-07-2018	17.6	Not yet due
8	INE477A07258 (400 Cr)	26-07-2018	29.28	Not yet due
9	INE477A07092 (200 Cr)	07-08-2018	17.42	Not yet due
10	INE477A07100 (100 Cr)	10-09-2018	8.69	Not yet due
11	INE477A07191 (300 Cr)	16-09-2018	23.55	Not yet due

**ANNEXURE C**

Details of previous due dates for Redemption of Non-Convertible Debentures from 01/10/2017 to 31/03/2018:

Sl.no	ISIN	Due dates of Redemption during next half year	Redemption Amount (In Crore)	Status
1	INE477A07050 (200 Cr)	06-02-2018	200	Paid

**ANNEXURE D**

Details of next due dates for Redemption of Non-Convertible Debentures from 01/04/2018 to 30/09/2018:

Sl.no	ISIN	Due dates of Redemption during next half year	Redemption Amount (In Crore)	Status
1	INE477A07068 (200 Cr)	28-04-2018	200	Paid
2	INE477A07076 (100 Cr)	28-06-2018	100	Not yet due
3	INE477A07084 (200 Cr)	02-07-2018	200	Not yet due
4	INE477A07092 (200 Cr)	07-08-2018	200	Not yet due

