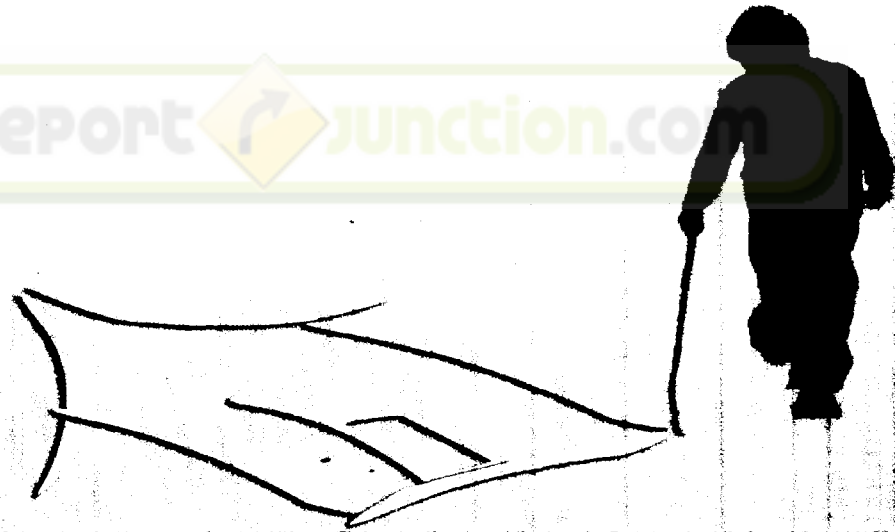


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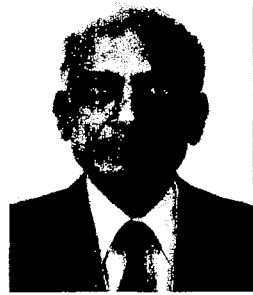
HOME LOANS ♦ DEPOSITS

Translating Dreams into Reality

ಕ್ಯಾನ್‌ಫಿನ್ ಹೋಮ್ಸ್ ಲಿ.

With you every step

BOARD OF DIRECTORS



Mr.S.Doreswamy
Chairman



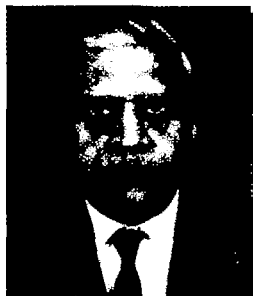
**Mr.B.Balakrishna
Shetty**



Mr.J.S.Vasan



Mr.P.Santosh Kumar



**Dr.(Mr.)Ashok K.
Mittal**



Mr.K.Subba Rao



Mr.K.K.Misra



Mr.Vincent J.D'Silva

BOARD OF DIRECTORS

Mr.S.Doreswamy	Chairman
Mr.B.Balakrishna Shetty	Director
Mr.J.S.Vasan	Director
Mr.Lalit Kumar	Nominee Director – NHB (upto 15-02-2008)
Mr.P.Santosh Kumar	Director
Dr.Ashok K.Mittal	Director (from 03-09-2007)
Mr.K.Subba Rao	Wholetime Director (upto 18-07-2008)
Mr.K.K.Misra	Managing Director (upto 23-08-2008)
Mr.Vincent J.D'silva	Managing Director (from 23-08-2008)

EXECUTIVES**ASSISTANT GENERAL MANAGERS**

Mr.G.V.Gopinath
Mr.Rm.Veerappan
Mr.N.Vijayagopalan
Mr.A.R.Gopal

**ASST. GENERAL MANAGER &
COMPANY SECRETARY**

Mr.K.S.Sathyaprakash

CHIEF MANAGERS

Mr.P.Vijayasekhara Raju
Mrs.M.Shamila
Mr.T.Bhaktavatchalam
Mr.Sunil Kumar Mittal
Mr.Atanu Bagchi
Mr.Ajay Kumar G.Shettar
Mr.Chetan C.
(upto 03-05-2008)

REGISTRARS & SHARE TRANSFER AGENTS

Canbank Computer Services Ltd.,
Unit : Can Fin Homes Ltd
R & T Centre, Naveen Complex
IV Floor, No.14, M.G. Road
Bangalore-560 001
Tel : 080-25320541, 25320542, 25320543
Fax : 080-25320544
E-mail : canbank_computer@dataone.in

AUDITORS

K.P.Rao & Co.,
Chartered Accountants
'Poomima', 25
Madras Bank Road
Bangalore-560 001

PRINCIPAL BANKERS

Canara Bank

REGISTERED OFFICE

No.29/1, I Floor, Sir M.N.Krishna Rao Road, Basavanagudi, Bangalore-560 004
Tel : 080-26568687, 26570155, 26565747, 26564259 Fax : 080-26565746
E-mail : development@canfinhomes.com
Website : www.canfinhomes.com

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<p style="text-align: center;">MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE ANNUAL REPORT TO THE MEETING</p>

FINANCIAL HIGHLIGHTS**FOR THE YEAR ENDED MARCH 31, 2008****OPERATIONAL HIGHLIGHTS****Rs.in crores**

	2003-04	2004-05	2005-06	2006-07	2007-08	Cumulative Figures
Loan approvals	467.42	531.42	824.88	417.09	263.88	2504.69
Loan disbursements	394.86	456.61	653.95	453.36	247.40	2206.18

FINANCIAL HIGHLIGHTS

Gross Income	128.26	127.33	148.21	190.00	221.47
Profit after Tax	20.70	21.12	26.95	30.10	28.40
Shareholder funds	137.41	152.56	173.67	197.78	219.76
Deposits	406.71	325.93	256.84	191.68	160.13
Borrowings	623.42	878.75	1296.87	1554.44	1480.88
Housing / other loan outstanding	1185.26	1378.95	1773.45	1941.53	1899.46
Dividend (%)	25	25	25	25	25

Can Fin Homes Ltd

NOTICE

NOTICE is hereby given that the TWENTYFIRST ANNUAL GENERAL MEETING of the Members of **CAN FIN HOMES LTD** will be held on Wednesday, the September 24, 2008 at 11 A.M. at the J.S.S. Mahavidya Peetha, Shivarathreeswara Centre Auditorium, 1st Main, 8th Block, Jayanagar, Bangalore-560 082 to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2008 and the Profit and Loss Account for the year ended that date together with the Report of the Directors and Auditors.
2. To declare a dividend.
3. To appoint a Director in the place of Mr.S.Doreswamy, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass, with or without modification(s), the following as a Special Resolution, pursuant to Section 224A of the Companies Act, 1956 :

"RESOLVED that M/s.K.P.Rao & Co., Chartered Accountants, be and are hereby re-appointed as auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting, at such remuneration as may be fixed by the Board of Directors, in addition to reimbursement of out-of-pocket expenses incurred by them for the purpose of conducting audit of the accounts of the Company".

"RESOLVED FURTHER that the following firms of Chartered Accountants be and are hereby re-appointed as the auditors to carry out the audit of the branches of the Company mentioned against each of their firm's name, at such remuneration as may be fixed by the Board of Directors, in addition to reimbursement of out-of-pocket expenses incurred by them for the purpose of conducting the audit :

Sl. No.	Name of the firms of Chartered Accountants	Name of the Branches authorised for auditing
(i)	M/s.K.P.Rao & Co., Bangalore	Branches in the States of Karnataka, Kerala, Goa, Gujarat, Maharashtra and new branches, if any, to be opened by the Company during 2008-09.
(ii)	M/s.L.U.Krishnan & Co., Chennai	Branches in the State of Tamil Nadu and the Union Territory of Pondicherry.
(iii)	M/s.K.P.Rao Associates Hyderabad	Branches in the States of Andhra Pradesh and Orissa.
(iv)	M/s.H.K.Chaudhry & Co., New Delhi	Branch(es) New Delhi, Noida, Gurgaon, Jaipur, Lucknow, Chandigarh, Bhopal, Raipur, Indore and Patna".

SPECIAL BUSINESS

To consider and if thought fit, to pass, with or without modification(s), the following resolutions :

As Ordinary Resolutions :

5. "RESOLVED that Mr.K.K.Misra be and is hereby appointed as a Director of the Company".

"FURTHER RESOLVED that pursuant to the provisions of Section 198, 269 read with Schedule XIII, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof, approval of the members of the Company be and is hereby accorded to the appointment of Mr.K.K.Misra, General Manager, Canara Bank, as the Managing Director of the Company for a period of 5 years with effect from July 18, 2008 and for such further extension(s) of service as the Managing Director, if any, by Canara Bank, at such remuneration he is entitled to in accordance with the Service Regulations of Canara Bank and any modifications, revisions, thereof that might take place from time to time and payable by way of reimbursement to Canara Bank and on the terms and conditions including remuneration payable to him as Managing Director as detailed in the explanatory statement attached hereto, provided however that the remuneration payable to Mr.K.K.Misra shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof."

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

6. "RESOLVED that Dr.(Mr.)Ashok K.Mittal be and is hereby appointed as a Director of the Company, liable to retire by rotation".

7. "RESOLVED that Mr.Vincent J.D'Silva be and is hereby appointed as a Director of the Company".

"FURTHER RESOLVED that pursuant to the provisions of Section 198, 269 read with Schedule XIII, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof, approval of the members of the Company be and is hereby accorded to the appointment of Mr.Vincent J.D'Silva, General Manager, Canara Bank, as the Managing Director of the Company for a period with effect from August 23, 2008 upto April 30, 2009 at such remuneration he is entitled to in accordance with the Service Regulations of Canara Bank and any modifications, revisions, thereof that might take place from time to time and payable by way of reimbursement to Canara Bank and on the terms and conditions including remuneration payable to him as Managing Director as detailed in the explanatory statement attached hereto, provided however that the remuneration payable to Mr.Vincent J.D'Silva shall not exceed the limits prescribed under Schedule XIII to the Companies Act, 1956, including any amendment, modification, variation or re-enactment thereof".

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

BY ORDER OF THE BOARD OF DIRECTORS

Place : Bangalore
Date : August 23, 2008

K.S.SATHYAPRAKASH
Company Secretary

Registered Office :
No.29/1, I Floor,
Sir M.N.Krishna Rao Road,
Basavanagudi, Bangalore-560 004

Can Fin Homes Ltd

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE THEREAT IS ENTITLED TO APPOINT A PROXY. A PROXY ATTENDING THE MEETING CAN VOTE ON HIS/HER BEHALF ONLY ON A POLL. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE ATTENDANCE SLIP-CUM-PROXY FORM IS PLACED AT THE END OF THIS ANNUAL REPORT. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING OR HOLDING THE ADJOURNED MEETING IN RELATION TO WHICH THE PROXY IS GIVEN.**
2. The relative Explanatory Statements, pursuant to Section 173(2) of the Companies Act, 1956, in respect of the Special Business in respect of item Nos.5 to 6 are enclosed herewith.
3. The Register of Members and Share Transfer Books of the Company would remain closed from Wednesday September 17, 2008 to Wednesday September 24, 2008 (both days inclusive) for the purpose of payment of dividend.
4. Payment of Dividend for the financial year 2007-08, on declaration, will be made on or after September 24, 2008 to those members whose names appear in the Register of Members of the Company as on September 16, 2008.
5. Members are requested to promptly notify any change in their address to the Registrars and Share Transfer Agents of the Company viz., M/s.Canbank Computer Services Ltd., R & T Centre, Unit : Can Fin Homes Ltd., Naveen Complex, IV Floor, No.14, M.G. Road, Bangalore-560 001 immediately.
6. The Company has transferred unclaimed dividend up to Dividend 1996 to the General Revenue a/c of the Central Government in terms of Section 205A of the Companies Act, 1956. Those who have not encashed the dividend warrants for the said period may claim their dividend from the Registrar of Companies in Karnataka, Office of the Registrar of Companies, II Floor, E Wing, Kendriya Sadana, Koramangala, Bangalore-560 034.
7. Members who have not encashed their dividend warrants for the years 2000-01 to 2006-07 are requested to approach the Company or the Registrars and Share Transfer Agents of the Company for revalidating the warrants or obtaining cheques in lieu of warrants. Pursuant to the provisions of Section 205A & 205C of the Companies Act, 1956, the amount of dividend declared for 2001 would be transferred to the Investor Education & Protection Fund (IEPF) on September 18, 2008 since such amounts that remained unpaid for a period of 7 years from the date on which they become first due are to be transferred to the IEPF. Members may please note that no claim shall lie against the IEPF or the Company in respect of such amounts.
9. The shareholders holding shares in more than one folio are requested to consolidate their folios by sending a request letter to the Company or to the Registrar and Transfer Agents of the Company.
10. **The shareholders desirous of obtaining any information with regard to the audited annual accounts of the Company for the financial year 2007-08 or on any other related matters are requested to write to the Company atleast 15 days before the date fixed for the annual general meeting, so that the information required could be kept ready.**
11. Nomination facility : Consequent to the introduction of Section 109A of the Companies Act, 1956 and as has been already brought to the notice of all the Members, individual Members are entitled to make a nomination

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in respect of the shares held by them. The Members, who have not yet sent the said nominations, are requested to send the Nomination in Form-2B (in duplicate) to the Registrars and Share Transfer Agents of the Company for registering the nominations, if any.

12. Members holding shares in electronic form may please note that the dividend will be payable on the basis of beneficial ownership as per the details furnished by the National Securities Depository Ltd., / Central Depository Services (India) Ltd., will be credited to the respective beneficial owner's bank account through the Electronic Clearing Services (ECS), subject to availability of ECS facility at such centers as notified by the Reserve Bank of India.
13. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to the Company will be printed on their dividend warrants as per the applicable regulations of the Depositories Act and the Company will not be in a position to act on any direct request from such members for change/deletion of such bank details. Further, the instructions, if any, already given by the Members, in respect of shares held in physical form will not automatically be applicable to the dividend paid on shares in electronic form. Members may therefore give instructions regarding their bank accounts in which they wish to receive dividend, to their Depository Participants immediately.
14. The Members holding shares in physical mode are requested to furnish their latest bank account references, directly to the Registrar and Transfer Agents for incorporation of the same on the dividend warrants. This would also facilitate for payment of dividend through ECS.
15. **Members attending the Annual General Meeting are requested to bring the following (as applicable) :**
 - (a) Members holding shares in dematerialised form, their DP & Client ID Number(s).
 - (b) Members holding shares in physical form, their folio number(s).
 - (c) Copy of the Annual Report (2007-08).
 - (d) Attendance Slip duly completed & signed as per the specimen signature lodged with the Company.
 - (e) Member Companies / Institutions are requested to send a copy of the resolution of their Board / Governing Body, authorising their representative to attend and vote at the Annual General Meeting.
16. The Company would accept only the Attendance Slip from a Member actually attending the Meeting; or from the person attending as a Proxy under a valid Proxy Form registered with the Company not less than 48 hours prior to the Meeting. Attendance Slips of Members/valid Proxies, not personally present at the Meeting or relating to Proxies, which are invalid, will not be accepted from any other Member/Person(s).

Can Fin Homes Ltd

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

In respect of Item No.5

The Board of Directors of the Company at their Meeting held on July 18, 2008, appointed Mr.K.K.Misra, General Manager, Canara Bank as an Additional Director and then as the Managing Director of the Company with effect from the above date for a period not exceeding 5 years and for further extension of service as the Managing Director, if any, by Canara Bank, at the remuneration/perquisites, he is entitled to as per the Service Regulations of Canara Bank and any modifications, revision(s) thereof that may take place from time to time and payable by way of reimbursement to Canara Bank and subject to the ceiling limits prescribed by Schedule XIII to the Companies Act, 1956 ("the Act") subject to the approval of the members at the ensuing Annual General Meeting. Pursuant to Article 22 of the Articles of Association of the Company ("Articles"), read with Section 260 of "the Act", Mr.K.K.Misra holds office only up to the date of the ensuing Annual General Meeting.

Mr.K.K.Misra, is a senior banker with over 32 years of commercial banking experience and is in the cadre of General Manager of the Bank. He is a Graduate degree holder in Arts and Law and a Certified Associate of Indian Institute of Bankers (CAIB).

The main terms of appointment of Mr.K.K.Misra are as follows :

- (a) The gross salary payable to Mr.K.K.Misra as the Managing Director shall be Rs.45,000/- (approx.) per month, as per his entitlement under the Service Regulations of Canara Bank (Bank) and subject to any modifications, revision(s) thereof that may take place from time to time.
- (b) In addition to the remuneration stated above, Mr.K.K.Misra, would be entitled to perquisites/benefits which include rent free furnished accommodation, reimbursement of medical expenses, furnishings, payment of premium on personal accident and medi-claim insurance, club fees and such other perquisite as he would be eligible as per the Service Regulations of the Bank, from time to time.
- (c) Other benefits and allowances include use of car with driver, telephones for the Company's business and at the residence, leave travel allowance, contribution to provident fund, gratuity as per the Payment of Gratuity Act, 1972, superannuation fund and post retirement pension scheme, other post retirement benefit(s) in the form of medical benefits and all other benefits as he would be eligible as per the Service Regulations of the Bank, from time to time.

Presently, Mr.K.K.Misra is being paid a gross salary of Rs.45,000/- (approx.) per month, applicable to the cadre of General Manager of Canara Bank.

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

Mr.K.K.Misra, is willing to act as a Director of the Company, if so appointed and has filed with the Company his consent pursuant to Section 264(1) of the Act.

Mr.K.K.Misra is holding 75 equity shares in the Company in his personal capacity. He has availed a housing loan from the Company in the normal course and prior to his appointment as a Director in the Company.

The Company has received a notice in writing from Canara Bank, one of the Promoters and Shareholders of the Company, under Section 257 of the Act signifying their intention to propose the appointment of Mr.K.K.Misra, as a Director of the Company.

Your Directors are of the opinion that the appointment of Mr.K.K.Misra would be in the best interest of the Company and accordingly recommend the passing of the resolution proposed at Item No.5 of the Notice.

This explanatory statement may be treated as an abstract of the terms and conditions governing the appointment of and payment of remuneration to Mr.K.K.Misra, pursuant to Section 302 of the Companies Act, 1956.

No Director other than Mr.K.K.Misra is in any way concerned or interested in the said resolution.

In respect of Item No.6

The Board of Directors of the Company, appointed Dr.(Mr.)Ashok K.Mittal, as an Additional Director of the Company with effect from September 3, 2007. Pursuant to Article 22 of the Articles of Association of the Company ("Articles"), read with Section 260 of "the Act", Dr.Ashok K.Mittal holds office only up to the date of the ensuing Annual General Meeting.

Dr.Ashok K.Mittal is a Master's Degree holder in Commerce and a Doctorate in International Trade from Delhi University. Dr.Ashok K.Mittal was a faculty for undergraduate, post graduate and MBA classes and also taught at the Bankers Training College Mumbai and has trained Managers of the Meridien Bank of Paris, who were posted in the different countries of Africa. He has been associated with Educational Management with Hindu Education Society, which is running 14 institutions in Sonpet (Haryana). He is an educationist and a person with thorough insight into Indian Banking and international trade, endowed with vast experience and varied exposure.

The Company has received a notice in writing from Canara Bank, one of the Promoters and Shareholders of the Company, under Section 257 of the Act signifying their intention to propose the appointment of Dr.Ashok K.Mittal, as a Director of the Company.