



Can Fin Homes Ltd
(Sponsor: **CANARA BANK**)

22nd ANNUAL REPORT 2008-09

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Board of Directors



Mr. S. Doreswamy
Chairman



Mr. J.S. Vasan



Mr. P. Santosh Kumar



Dr. (Mr.) Ashok K.
Mittal



Mr. P.R. Yagnik



Mr. Vincent J.D'Silva



Mrs. Mythili
Krishnamurthy

BOARD OF DIRECTORS

Mr.S.Doreswamy	Chairman
Mr.B.Balakrishna Shetty	Director (upto 09-02-2009)
Mr.J.S.Vasan	Director
Mr.P.Santosh Kumar	Director
Dr.(Mr.)Ashok K.Mittal	Director
Mr.P.R.Yagnik	Director (from 16-02-2009)
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 (upto 30-04-2009)
Mrs.Mythili Krishnamurthy	Managing Director (from 30-04-2009)

EXECUTIVES

ASSISTANT GENERAL MANAGERS

Mr.G.V.Gopinath
Mr.Rm.Veerappan
Mr.D.K.Manjunath (upto 31-05-2008)
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.Bakthavalsalan
Mr.Sunil Kumar Mittal
Mr.Atanu Bagchi
Mr.Ajay Kumar G.Shettar

REGISTRARS & SHARE TRANSFER AGENTS

Canbank Computer Services Ltd.,
Unit : Can Fin Homes Ltd.,
R & T Centre, J.P. Royale
I Floor, No.218, 2nd Main
Sampige Road (Near 14th Cross)
Malleshwaram, Bangalore-560 003
Tel : 080-23469661/62, 23469664/65
Fax : 080-23469667/68
E-mail : canbank_computer@dataone.in

AUDITORS

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

PRINCIPAL BANKERS

Canara Bank

CAN FIN HOMES LTD., REGISTERED OFFICE

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

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**MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF THE
ANNUAL REPORT TO THE MEETING**

FINANCIAL HIGHLIGHTS

FOR THE YEAR ENDED MARCH 31, 2009

OPERATIONAL HIGHLIGHTS						Rs.in crore
	2004-05	2005-06	2006-07	2007-08	2008-09	Cumulative Figures
Loan approvals	531.42	824.88	417.09	263.88	356.28	5518.79
Loan disbursements	456.61	653.95	453.36	247.40	300.54	4782.30

FINANCIAL HIGHLIGHTS

Gross Income	127.33	148.21	190.00	221.47	222.91
Profit after Tax	21.12	26.95	30.10	28.40	31.53
Shareholder funds	152.56	173.67	197.78	219.76	246.50
Deposits	325.93	256.84	191.68	160.13	165.35
Borrowings	878.75	1296.87	1554.44	1480.88	1480.00
Housing / other loan outstanding	1378.95	1773.45	1941.53	1899.46	1887.18
Dividend (%)	25	25	25	25	20

NOTICE

NOTICE is hereby given that the TWENTYSECOND ANNUAL GENERAL MEETING of the Members of **CAN FIN HOMES LTD.**, will be held at 11 A.M. on Thursday, the August 27, 2009 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, 2009 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.J.S.Vasan, 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 2009-10.
(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) at 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.P.R.Yagnik be and is hereby appointed as a Director of the Company, liable to retire by rotation".

6. "RESOLVED that Mrs.Mythili Krishnamurthy be and is hereby appointed as a Director of the Company".

"FURTHER RESOLVED that pursuant to the provisions of Section 198, 269, 309 and 310 read with Schedule XIII 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 Mrs.Mythili Krishnamurthy, General Manager, Canara Bank, as the Managing Director of the Company for a period of 3 years with effect from April 30, 2009 and for such further extension(s) of service as the Managing Director, if any, by Canara Bank, at such remuneration she is entitled to in accordance with the Service Regulations of Canara Bank and any modifications and 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 her as the Managing Director as detailed in the explanatory statement attached hereto, provided however that the remuneration payable to Mrs.Mythili Krishnamurthy 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 Director(s) or Committee of Directors to give effect to the aforesaid resolutions".

BY ORDER OF THE BOARD OF DIRECTORS

Place : Bangalore
Date : July 23, 2009

K.S.SATHYAPRAKASH
Company Secretary

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

NOTES

1. **A MEMBER ENTITLED TO ATTEND THE MEETING 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 VALID 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 and 6 of the Notice are enclosed herewith.
3. The Register of Members and Share Transfer Books of the Company would remain closed from Friday, the August 21, 2009 to Thursday, the August 27, 2009 (both days inclusive) for the purpose of payment of dividend.
4. Payment of Dividend for the financial year 2008-09, on declaration, will be made after August 27, 2009 to those members whose names appear in the Register of Members of the Company as on August 20, 2009.
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., J.P. Royale, I Floor, No.218, 2nd Main, Sampige Road (Near 14th Cross), Malleshwaram, Bangalore-560 003, 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 2001-02 to 2007-08 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 dividend declared for 2002 remaining unclaimed and unpaid would be transferred to the Investor Education & Protection Fund (IEPF) on completion of 7 years from the date on which it became first due for payment. Members may please note that no claim shall lie against the IEPF or the Company in respect of such amounts.
8. 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 Registrars and Transfer Agents of the Company.
9. **The shareholders desirous of obtaining any information with regard to the audited annual accounts of the Company for the financial year 2008-09 or on any other related matters are requested to write to the Company at least 15 days before the date fixed for the annual general meeting, so that the information required could be kept ready.**

10. 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 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.
11. 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.
12. 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 held in electronic form. Members may therefore give instructions regarding their bank accounts in which they wish to receive dividend, to their Depository Participants immediately.
13. The Members holding shares in physical mode are requested to furnish their latest bank account references, directly to the Registrars and Transfer Agents for incorporation of the same on the dividend warrants. This would also facilitate for payment of dividend through ECS.
14. **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 (2008-09).
 - (d) Attendance Slip duly completed and 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.
15. 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 not personally present at the Meeting and Proxy Forms, which are invalid, will not be accepted.

ANNEXURE TO THE NOTICE

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

In respect of Item No.5

The Board of Directors of the Company, appointed Mr.P.R.Yagnik, as an Additional Director of the Company with effect from February 16, 2009. Pursuant to Article 22 of the Articles of Association of the Company ("Articles"), read with Section 260 of "the Act", Mr.P.R.Yagnik holds office only up to the date of the ensuing Annual General Meeting.

Mr.P.R.Yagnik is a Master in Commerce with specialisation in banking and statistics. He has taken several courses on IT, International Banking, Trade and Credit Management. He has widely travelled and was nominated by the Bank of India to attend the WTO and economic summit. He is in the panel of various financial bodies for consultation on Foreign Exchange, International Banking, Treasury, Investment and IT.

Mr.P.R.Yagnik has specialised in the banking field and a well known expert in the banking industry in India. He possesses a sound knowledge of the credit / NPA management and has brought an innovative online system of credit control and management in the Bank. He has more than 3 decades of working experience in a leading bank and has been accredited with one of the most successful, dynamic, aggressive and innovative banker. He was also a Director in various companies and mutual funds.

Mr.P.R.Yagnik is currently the Vice Chairman of Raffles Software Operations which is a part of Thakral Group having business operations world wide in multiple business. He is the Director in Pacific Internet Co. in India, a joint venture of Thakral with Nasdaq listed Pacific Internet Group of Singapore.

The Company has received a notice in writing from a member of the Company, under Section 257 of the Act signifying their intention to propose the appointment of Mr.P.R.Yagnik, as a Director of the Company.

Mr.P.R.Yagnik, 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.P.R.Yagnik, is not holding any equity share in the Company (both own and held by / for other persons on a beneficial basis).

Your Directors are of the opinion that the appointment of Mr.P.R.Yagnik 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.

No Director other than Mr.P.R.Yagnik is in any way concerned or interested in the said resolution.

In respect of Item No.6

The Board of Directors of the Company at their Meeting held on April 22, 2009, appointed Mrs.Mythili Krishnamurthy, General Manager, Canara Bank as an Additional Director with effect from the above date and then as the Managing Director of the Company with effect from April 30, 2009 for a period of 3 years and subject to further extension in the period of service, as the Managing Director, if any, by Canara Bank, at such remuneration / perquisites, which she would be entitled to under the Service Regulations of the Bank subject to any modifications, revisions thereon (including revision on account of promotion etc., that may take place from time to time), payable by way of reimbursement to Canara Bank, subject to the overall ceiling limit prescribed under Schedule XIII of the Companies Act, 1956, ("the Act") as amended from time to time and further 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", Mrs.Mythili Krishnamurthy holds office only up to the date of the ensuing Annual General Meeting.