



REGISTERED OFFICE

No. 29/1, 1st Floor, Sir M N Krishna Rao Road, Near Lalbagh West Gate, Basavanagudi,
BENGALURU – 560 004 Tel :080 41261144, 080 26564259, Fax:080 26565746
E-mail:compsec@canfinhomes.com
Web: www.canfinhomes.com CIN: L85110KA1987PLC008699

Notice of the 31st Annual General Meeting

NOTICE is hereby given that the THIRTY FIRST ANNUAL GENERAL MEETING OF THE MEMBERS OF CAN FIN HOMES LTD., will be held at 11:00 A.M. on Wednesday the July 18, 2018 at the NIMHANS Convention Centre, Opp. Lakkasandra Bus Stop, Hosur Road, Bengaluru, Karnataka 560029, to transact the following business:

ORDINARY BUSINESS

Agenda No.1- Adoption of accounts

To receive, consider and adopt the audited financial statements, including Balance Sheet as at March 31, 2018 and statement of the Profit and Loss account for the year ended that date together with the reports of the Directors and Auditors.

Agenda No.2 - Declaration of dividend

To declare a dividend of ₹ 2/- per equity share for the financial year ended March 31, 2018.

Agenda No.3 – Re-appointment of Shri S A Kadur as Director

To re-appoint Shri S A Kadur (DIN– 06426985), Director who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

As Ordinary Resolution(s)

Agenda No.4 - Appointment of Smt. Bharati Rao as Independent Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

"RESOLVED THAT in accordance with the provisions of Section 149 and 152 and all other applicable provisions of the Companies Act, 2013, Companies (Amendment) Act, 2017 and the Rules made thereunder read with Schedule IV of the Companies Act, 2013 (including any statutory modifications or re-enactment(s) thereof, for the time being in force) Smt Bharati Rao (DIN-01892516), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, proposing Smt. Bharati Rao, to be appointed as independent director, be and is hereby appointed as Independent Director of the Company for a tenure upto the conclusion of the Annual General Meeting of the Company of the year 2020 and whose office shall not be liable to retire by rotation."

Agenda No.5 – Appointment of Shri Shreekant M Bhandiwad as a Director and Whole-time Director

To consider and if thought fit, to pass, with or without modification(s), the following resolution(s) as an Ordinary Resolution:

"RESOLVED THAT Shri Shreekant M Bhandiwad (DIN-08120906), be and is hereby appointed as a Director of the Company.

RESOLVED FURTHER THAT pursuant to the provisions of Section 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013 and related rules, including any amendment, modification, variation or re-enactment thereof, and the related Articles of the Articles of Association of the Company, approval of the members of the Company, be and is hereby accorded for the appointment of Shri Shreekant M Bhandiwad, Director, as the Whole-time Director (to be designated as Deputy Managing Director) of the Company with effect from April 28, 2018 for a tenure of 3 years and subject to further extension in the period of service, if any, by Canara Bank at such remuneration, he is entitled to in accordance with the Service Regulations of Canara Bank, payable by way of reimbursement to Canara Bank and on the terms and conditions as detailed in the explanatory statement attached hereto, provided however that the remuneration payable to Shri Shreekant M Bhandiwad shall not exceed the limits prescribed under Schedule V of the Companies Act, 2013, Companies (Amendment) Act, 2017, including any amendment, modification, variation or re-enactment thereof from time to time.

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things and execute all such documents, instruments and writing(s), 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."

Agenda No.6 – Acceptance of deposits from public

To consider and if thought fit, to pass, with or without modification(s), the following resolution, as an Ordinary Resolution:

“RESOLVED THAT the consent of the Company be and is hereby accorded to the Board of Directors of the Company, pursuant to the Housing Finance Companies (NHB) Directions, 2010 issued under National Housing Bank Act, 1987 and guidelines issued from time to time and all other applicable provisions of the Companies Act, 2013, Companies (Amendment) Act, 2017 and the Rules made thereunder, as applicable, for acceptance of deposits from public, for an amount not exceeding 5 (five) times of the net owned funds and from others from time to time, provided that the total amount upto which aggregate money(ies) borrowed by the Board of Directors of the Company together with the deposits so accepted from the public and others shall not exceed the limit approved by the Company in terms of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013.”

Agenda No.7 - Related Party Transactions / Arrangements

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

“RESOLVED THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 and Companies (Amendment) Act, 2015, Companies (Amendment) Act, 2017, read with applicable Rules under the Companies (Meetings of Board and its Powers) Rules, 2014 and in terms of regulation 23 and other applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including any amendment, modification or re-enactment thereof, approval of the members of the Company be and is hereby accorded for entering into any contracts or arrangements with the related party(ies) viz., Canara Bank, the Sponsor Bank of the Company and/or their subsidiaries and/or any of their joint venture companies with respect to the transactions entered into or to be entered into with respect to sale, purchase of any goods or materials, selling or otherwise disposing of or buying property of any kind, leasing of property of any kind, availing or rendering of any services directly or through appointment of agents, appointment to any or place of profit in the Company, remuneration for underwriting of securities etc., or reimbursement towards any transaction or any transaction of whatever nature for an amount not exceeding ₹5,000 Crore (Rupees Five Thousand Crore) only.

RESOLVED FURTHER THAT the Board of Directors of the Company and/or Audit Committee is hereby authorised to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise in relation to the above and to settle all matters arising out of and incidental thereto and to do

all acts, deeds, things as may be necessary, proper or expedient to give effect to these resolutions.”

As Special Resolution(s)

Agenda No.8 – To borrow amounts not exceeding ₹20,000 Crore.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:

“RESOLVED THAT in supersession of the Resolution passed at the Thirtieth Annual General Meeting of the Company held on June 28, 2017, the consent of the Company is hereby accorded, pursuant to Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to continue to borrow from time to time any money(ies) as they deem requisite for the purpose of the business of the Company, notwithstanding that the money(ies) to be borrowed together with money(ies) already borrowed by the Company would exceed the aggregate of paid-up share capital and free reserves of the Company, provided that the total amount upto which money(ies) borrowed by the Board of Directors of the Company at any time, including the temporary loans obtained from the Company's Bankers in the ordinary course of business, shall not exceed ₹20,000 Crore (Rupees Twenty Thousand Crore) only.”

Agenda No.9 - Offer or invitation for subscription of Non-Convertible Debentures (NCDs) or bonds, secured or unsecured, of any nature upto an amount of ₹6000 Crore on private placement:

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

“RESOLVED THAT subject to the provisions of Section 42 and all other applicable provisions, if any, of the Companies Act, 2013 read with Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, SEBI (Issue and Listing of Debt Securities) Rules, 2008, Foreign Exchange Management Act, 1999, Directions/Guidelines issued by the National Housing Bank/ Regulators or guidelines or circulars issued by Reserve Bank of India or any other statutory/ regulatory authorities from time to time, including any amendment, modification, variation or re-enactment thereof, the approval of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the “the Board” which term shall be deemed to include any Committee thereof) for issuance of Redeemable, secured or unsecured Non-Convertible Debentures (NCDs)/bonds, sub-ordinated debt/in the nature of Tier II NCDs/bonds, onshore and/or offshore, denominated in Indian Rupees and/or any Foreign Currency, for cash, either at par or premium or at a discount to face value, upto an amount not exceeding ₹6,000 Crore (Rupees Six Thousand Crore only) under one or more information memorandum / shelf disclosure

document, on private placement basis, in one or more tranches, during the period of one year commencing from the date of this meeting until the conclusion of the next Annual General Meeting.

RESOLVED FURTHER THAT the Board of Directors of the Company are hereby authorised to take decision(s) about the timing of the issue(s) of such securities including the above said Non-Convertible Debentures/bonds, number of securities, number of tranche(s), to be issued under each such tranche, tenure, purpose, coupon rate(s), securities for the issue if any, pricing of the issue, date(s) of opening and closing of the offers/invitations for subscription of such securities, securities for the issue, if any, deemed date(s) of allotment, exercise 'PUT' and 'CALL' option, redemption and all other terms and conditions relating to the issue of the said securities on private placement basis or delegate the above powers to committee(s) of the Board or such other Committee(s) duly constituted for the purpose.

RESOLVED FURTHER that for the purpose of giving effect to these resolution(s), the Board is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents, instruments and writings as it may in its sole and absolute discretion deem necessary in relation thereto.

RESOLVED FURTHER that the Board is hereby authorised to delegate all or any of the powers herein conferred to any director(s)/Committees and/or officers(s) of the Company, to give effect to the resolution(s)."

Agenda No.10 – Further issue of shares/specified securities

To consider, and if thought fit, to pass with or without the modification(s), the following resolution(s) as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 23, 42 and 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Companies (Prospectus and Allotment of Securities) Rules, 2014, the Companies (Share Capital and Debentures) Rules, 2014 and other applicable rules made thereunder (including any statutory modification or re-enactment thereof, for the time being in force), the provisions of the Memorandum of Association and Articles of Association of the Company and in accordance with any other applicable law or regulation, in India or outside India, including without limitation, the provisions of the Securities Contracts (Regulation) Act, 1956 and the Securities Contracts (Regulation) Rules, 1957, the Securities and Exchange Board of India (SEBI) Act, 1992 and the rules and regulations made thereunder including the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended [the "SEBI (ICDR) Regulations"], the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ["SEBI (LODR) Regulations"], the listing agreements entered into with the respective

stock exchanges where the shares of the Company are listed (the "Stock Exchanges"), the provisions of the Foreign Exchange Management Act, 1999, as amended ("FEMA"), including the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017, the Foreign Exchange Management (Transfer or issue of any foreign security) Regulations 2004 as amended, the Reserve Bank of India Master Directions on Foreign Investment in India 2018 as amended, and in accordance with the rules, regulations, guidelines, notifications, circulars and clarifications issued from time to time by the Government of India ("GOI"), the Reserve Bank of India ("RBI"), the Securities and Exchange Board of India ("SEBI"), the Registrar of Companies (the "ROC"), the Ministry of Corporate Affairs ("MCA"), National Housing Bank ("NHB"), stock exchanges and/or any other competent authorities (hereinafter referred to as 'applicable regulatory authorities), from time to time, and to the extent applicable and subject to any required approvals, consents, permissions and/or sanctions from any statutory or regulatory authority and subject to such conditions and modifications as may be prescribed, stipulated or imposed by any of them while granting such approvals, consents, permissions and/or sanctions, the consent, authority and approval of the Members be and is hereby accorded to the Board of Directors of the Company (hereinafter called the "Board" which term shall be deemed to include any Committee which the Board has constituted or may hereinafter constitute to exercise its powers including the power conferred by this Resolution) to create, offer, issue and allot, such number of fully paid Equity Shares of the Company of face value of ₹ 2/- each (Rupees Two only) (the "Securities"), in one or more tranches, either in India or in the course of international offering(s) in one or more foreign markets, by way of Qualified Institutions Placement ("QIP") through issue of a placement document to Qualified Institutional Buyers [as defined in the SEBI (ICDR) Regulations] ("QIBs") and/or on preferential allotment basis to the promoter viz., Canara Bank to the extent required for maintaining their present shareholding level (29.99%) post issue by way of QIP in accordance with Chapter VII and/or VIII of SEBI (ICDR) Regulations, as applicable, or by any other mode of further issue of specified securities or any combination thereof for an amount not exceeding in aggregate of ₹ 1000 Crores (Rupees One Thousand Crores only), inclusive of such premium as may be fixed on such Securities at such time or times, in such manner and on such terms and conditions including at such price or prices, at a discount or premium to market price or prices (as permitted under the applicable laws) etc., as may be deemed appropriate by the Board in its absolute discretion, including the discretion to determine the QIBs to whom to offer, issue and allotment shall be made to the exclusion of other QIBs at the time of such creation, offer, issue and allotment, all subject to applicable laws, considering the

prevailing market conditions and other relevant factors and wherever necessary in consultation with the lead manager(s) and/or other advisor(s) for such issue. The number and/or price of Securities shall be appropriately adjusted for future corporate actions such as bonus issue, rights issue, stock split, merger, demerger, transfer of undertaking, sale of division or any such capital or corporate restructuring.

RESOLVED FURTHER THAT the allotment of Securities shall be completed within 12 (twelve) months from the date of passing of this Resolution or such other time as may be permitted under the SEBI (ICDR) Regulations from time to time, at such price being not less than the price determined in accordance with the pricing formula provided under Chapter VII and/or VIII of SEBI (ICDR) Regulations, as applicable and as may be amended from time to time, provided that the Board may, in accordance with applicable laws, offer a discount of not more than 5% (five percent) or such percentage as permitted under the applicable laws, on such price determined in accordance with the pricing formula provided under Chapter VII and/or VIII of SEBI (ICDR) Regulations, as applicable, as may be amended from time to time and subject to such lock-in requirements as per Chapter VII and/or VIII of SEBI (ICDR) Regulations, as may be amended from time to time.

RESOLVED FURTHER THAT the "relevant date" for the purpose of pricing of the Equity Shares shall be the date of the meeting in which the Board decides to open the proposed issue of such shares, subject to any relevant provisions of applicable laws, rules, regulations, etc. as amended, from time to time.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be subject to the provisions of the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing Equity Shares of the Company in all respects.

RESOLVED FURTHER THAT the Equity Shares so issued by the Company as per the above resolutions shall be listed on the Stock Exchanges, where the existing Equity Shares of the Company are listed.

RESOLVED FURTHER THAT for the purpose of giving effect to the above resolutions, the Board or a Committee thereof be and is hereby authorized on behalf of the Company to do all such acts, deeds, matters and things including but not limited to finalization and approval of the preliminary as well as final placement document(s), determining the type, form and manner of the issue, number of Securities to be allotted, issue price, face value, discounts permitted under the applicable law (now or hereafter), premium amount on issue/conversion of the Securities, if any, rate of interest, execution of various agreements, deeds, instruments and other documents, including the private placement offer letter, creation of mortgage/charge in accordance with the provisions of the Act in respect of any Securities as may be required either on pari passu basis or otherwise, as it may in its

absolute discretion deem fit, necessary, proper or desirable, and to give instructions or directions or clarifications and to settle all questions, difficulties or doubts that may arise in regard to the issue, offer or allotment of Securities and utilization of the issue proceeds and to accept and to give effect to such modifications, changes, variations, alterations, deletions, additions as regards the terms and conditions as may be required by SEBI, the ROC or such other statutory & regulatory authorities, merchant bankers, lead managers, legal advisors, depository, custodian, registrar, stabilizing agent, trustee, escrow agent or such other agents/agencies involved in or concerned with the issue of Securities and as the Board or Committee thereof may in its absolute discretion deem fit and proper in the best interest of the Company without being required to seek any further consent, authority or approval of the Members or otherwise, and that all or any of the powers conferred on the Company and the Board pursuant to these Resolutions may be exercised by the Board or Committee thereof the Board has constituted or may constitute in this behalf, to the end and intent that the members shall be deemed to have given their approval thereto expressly by the authority of these Resolutions, and all actions taken by the Board or any Committee constituted by the Board to exercise its powers, in connection with any matter(s) referred to or contemplated in any of the foregoing resolutions be and are hereby approved, ratified and confirmed in all respects.

RESOLVED FURTHER THAT the Board or Committee thereof be and is hereby authorized to engage/appoint lead managers, underwriters, guarantors, depositories, custodians, registrars, stabilizing agent, trustees, bankers, advisors and all such agencies as may be involved or concerned in such offerings of Securities and to remunerate them by way of commission, brokerage, fees or the like and also to enter into and execute all such arrangements, agreements, memoranda, documents etc. with such agencies and to seek the listing of such Securities on the Stock Exchange(s).

RESOLVED FURTHER THAT subject to the applicable laws, the Board be and is hereby authorized to delegate all or any of the powers herein conferred to any Committee of Directors or Directors or any other officer or officers of the Company to give effect to the above resolutions."

By Order of the Board of Directors

For Can Fin Homes Ltd.
Sd/-

Place: Bengaluru
Date: June 02, 2018

Veena G Kamath
Company Secretary

Registered Office:

No.29/1, I Floor,
Sir M N Krishna Rao Road
Basavanagudi, Bengaluru – 560 004
CIN: L85110KA1987PLC008699

NOTES:

1. The explanatory statement pursuant to Section 102 of the Companies Act, 2013 with respect to the special business set out in the Notice is annexed.
2. **Voting through electronic means (e-voting):**
Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 substituted by the Companies (Management and Administration) Amendment Rules, 2015 read with Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their right to vote electronically through electronic voting (e-voting) service facility provided/made available by the National Securities Depository Limited (NSDL). The facility for voting through electronic voting system/ballot paper will also be made available at the venue of the Annual General Meeting (AGM) and the members who have not already cast their votes by remote e-voting shall be able to exercise their right to vote at the said AGM. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be allowed to vote again. The instructions for e-voting are annexed to the Notice. In case of joint holders attending the meeting, only such joint holder, who is higher in the order of names will be entitled to vote. Since the resolutions set out in this Notice are being conducted through e-voting, the said resolutions will not be decided on show of hands at the AGM in terms of Section 107 of the Companies Act, 2013.
3. (a) A member entitled to attend the meeting and vote thereat is entitled to appoint a proxy. A proxy can vote on behalf of the member only on a poll but shall not have the right to speak at the meeting (Section 105 of the Companies Act, 2013).
(b) A proxy need not be a member of the Company.
(c) A person can act as a proxy on behalf of members not exceeding 50 and aggregate holding of not more than 10% of the total share capital of the Company.
(d) A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
(e) **Proxies in order to be valid must be deposited at the Company's Registered Office not less than 48 hours before the time fixed for the meeting (Proxies, if any, to be registered with the Company on or before 11:00 a.m. on July 16, 2018).** The proxy form shall be duly complete, signed and stamped at the time of submission.
(f) The instrument appointing a proxy, if the appointer is a body corporate, be under its seal or be signed by an officer or an attorney duly authorised by it.
- (g) A proxy form for the AGM is enclosed.
4. A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company during the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, provided that not less than three days of notice in writing is given to the Company.
5. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company would remain closed from Friday the June 15, 2018 to Wednesday the June 20, 2018, both days inclusive for the purpose of determining the entitlement of shareholders to the payment of dividend for the financial year ended March 31, 2018.
6. Subject to the provisions of Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the AGM, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as at the close of business hours on Thursday, June 14, 2018.
7. Copies of the Notice of the 31st AGM, Attendance Slip, Proxy form, e-voting instructions and Annual Report are being sent by electronic mode to all those members whose e-mail addresses are registered with the Company/RTA or Depository Participant for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their e-mail addresses, physical copies of the Annual Report 2017-18 are sent by the permitted mode.
8. Members may note that the Notice of the 31st AGM, Annual Report 2018 and instructions for e-voting will be available on the Company's website www.canfinhomes.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Members who require communication in physical form in addition to communication via e-mail or having any other queries, may write to us at compsec@canfinhomes.com.
9. All the documents referred to in the accompanying Notice and the Statement pursuant to Section 102(1) of the Companies Act, 2013, will be available for inspection at the Registered Office of the Company during Business Hours (9:30 a.m. to 5:00 p.m.) on all working days upto the date of declaration of the result of the 31st AGM of the Company.
10. The Register of Directors and Key Managerial Personnel and their shareholding, maintained u/s.170 of the Companies Act, 2013 will be available for inspection by the members at the AGM.

11. The Register of Contracts or arrangements in which the Directors are interested, maintained u/s.189 of the Companies Act, 2013, will be available for inspection by the Members at the AGM.
12. Additional information/particulars, pursuant to Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment/ re-appointment at the AGM are furnished in the explanatory statement forming part of this Notice. The directors have furnished consent(s) / declaration(s) for their appointment/ re-appointment as required under the Companies Act, 2013 and related Rules and as per NHB Directions.
13. The members desirous of obtaining information, if any, with regard to the audited annual accounts of the Company for the financial year 2017-18 or on any other related subject may write to the Company at e-mail IDs; accounts@canfinhomes.com or compsec@canfinhomes.com at least 15 days before the date fixed for the AGM, so that the information required could be kept ready.
14. **Members/proxies attending the Annual General Meeting are requested to bring the following:**
 - (a) Photo Identity Card for marking the attendance.
 - (b) Attendance Slip duly mentioning the Folio number(s) or DP ID & Client ID Number(s), as applicable, the number of shares held and duly signed by the respective Members or Proxy attending the meeting.
 - (c) Member companies/Institutions are requested to send a copy of the resolution of their Board or governing body, authorising their representative to attend and vote on their behalf at the Annual General Meeting.
 - (d) Copy of the Annual Report (optional).
15. Members/ authorised representatives/ Proxies are requested to tender their attendance slips at the Registration Counters at the venue of the AGM and seek registration before entering the meeting hall.
16. The route-map to the AGM venue is provided as a part of this Notice as required under Secretarial Standards.

17. Appointment of Auditors :

Pursuant to the provisions of Section 139, 142 and all other applicable provisions of the Companies Act, 2013 and rules made thereunder, M/s. Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) were appointed by the members as the Statutory Auditors of the Company to hold office from the conclusion of this 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting, subject to ratification by members every year, as applicable, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company.

Pursuant to the provisions of Section 143(8) of the Companies Act, 2013 and rules made thereunder, the Members had authorised the Board of Directors to appoint any person(s) qualified for appointment as auditor(s) of the Company under Section 141 and all other applicable provisions of the Companies Act, 2013 as Branch Auditors for audit of any of the Branch of the Company, present and future, from the conclusion of this Annual General Meeting until the conclusion of the 35th Annual General Meeting, subject to ratification by members every year, as applicable, on such terms and conditions, including remuneration and out-of pocket expenses, as may be decided by the Board of Directors of the Company.

The requirement of placing the matter relating to such appointment for ratification by members at every annual general meeting has been dispensed with by omission of the first proviso to Section 139(1) by the Companies (Amendment) Act, 2017 effective from May 07, 2018 as per the Notification issued by Ministry of Corporate Affairs, Govt. of India [File No.1/1/2018-CL.I dated May 07, 2018]. Hence, a separate agenda for ratification of appointment of Auditors has not been placed before the current meeting.

In view of the above amended statutory provisions, M/s Varma & Varma, Chartered Accountants (Firm Reg.No.004532S) appointed by the members at the 30th Annual General Meeting for a tenure upto the conclusion of the 35th Annual General Meeting will continue as the Statutory Auditors of the Company, at such remuneration and out-of-pocket expenses, as may be decided by the Board of Directors of the Company. Further as authorized by the members at the 30th Annual General Meeting, the Branch Auditors appointed by the Board of Directors of the Company will continue until conclusion of the 35th Annual General Meeting on such terms and conditions, including remuneration and out-of pocket expenses, as may be decided by the Board of Directors of the Company.

We request the members to note the above information.

General Information:

1. **Dematerialisation of shares:** Considering the advantage of scripless trading, members are requested to consider dematerialisation of their shareholding so as to avoid inconvenience. For any assistance for opening demat account, the members may contact the RTA or the Board Secretariat Department (compsec@canfinhomes.com or Ph:080 26564259)
2. **Unclaimed Dividend:** Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013, the dividend declared for 2010-11 remaining unclaimed and unpaid as on August 24, 2018 would be transferred to the Investor Education & Protection Fund (IEPF) on completion of 7 years. Members who have not encashed their dividend warrants for the financial years 2010-11 to 2016-17 are requested to approach the RTA of the Company at the earliest.

- 3. Transfer of shares to IEPF Demat Account:** Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and refund) Rules, 2016 was notified on September 05, 2016 and revised notification dated February 28, 2017 was issued by the Ministry of Corporate Affairs (MCA) and as per Rule 6 of the said Rules, and as per the Amendment Rules, 2017, our Company has transferred all the shares, in respect of which dividend amounts have not been paid or claimed for 7 consecutive years by the shareholders i.e., upto 2009-10, to 'IEPF Demat Account'.

The Company has sent reminder letters dated May 24, 2018 to all the shareholders (2103 Nos.), who have not claimed their dividend amounts pertaining to 2010-11 for a consecutive period of 7 years and also issued newspaper notifications. The details are made available on the website of the Company in 'Investors' page. The shareholders are requested to contact RTA and submit their KYC documents and comply with the formalities for claiming the said amounts. The unclaimed amount together with related shares will be transferred to IEPF by August 24, 2018.

- 4. E-mail address:** The Company has been concerned about the environment and encourages the green initiative taken by the Ministry of Corporate Affairs (MCA), Government of India. Members holding equity shares of the Company in physical form, are again requested to provide their e-mail address to the Company via e-mail to investor.relationship@canfinhomes.com or to the RTA of the Company via e-mail to ravi@ccsl.co.in or naidu@ccsl.co.in

Members holding equity shares of the Company in electronic/dematerialized form are requested to register their e-mail address with their respective Depository Participant for enabling us to send the annual report etc., via e-mail.

- 5. Payments in electronic mode:** SEBI vide its Circular dated March 21, 2016 has made it mandatory for the Companies to make payment to its investors using electronic mode viz., ECS, NECS, RTGS, NEFT etc.
- In respect of members holding shares in physical form, the Company and/or its R & T Agents are expected to maintain the bank account particulars of its investors together with the related IFSC Code. In the above Circular, the respective Depository Participants are also instructed to maintain such details pertaining to the members holding shares in demat mode.
 - Members holding shares in electronic/dematerialised form may please note that while printing the bank account particulars on the dividend warrants, the particulars as provided by the National Securities Depository Ltd. (NSDL)/ Central Depository Services (India) Ltd. (CDSL)

will only be considered (in terms of the regulations of Depositories Act, 1996) for crediting the amount directly to the respective beneficial owners' bank account. Hence, the Company will not be in a position to act on any direct request from such demat holders for any change of bank account particulars.

- The forms (for physical) for furnishing Bank account particulars with the related IFSC Code, are made available on the website of the Company viz., www.canfinhomes.com for download by the members and submission to the Company or the RTA. Members who have not yet complied with the above requirement are requested to immediately send required particulars for enabling the Company/RTA to pay dividends through electronic mode.
 - Instructions, if any, already given by the members to the Company while holding shares in physical form will become redundant on conversion of shares to demat mode. The details provided/available with the respective DPs only will be considered for all purposes, including for payment of dividend. Hence, the demat holders are requested to furnish change in the Bank account particulars, if any, to their respective depository participants.
- 6. PAN:** Securities Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic/dematerialised form are, therefore requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form shall submit their PAN details to the Company/RTA.
- 7. Nomination facility:** Pursuant to Section 72 of the Companies Act, 2013 individual/ joint members are entitled to register nomination in respect of the shares held by them in Form No.SH-13 and send it to the RTA. The Nomination form is made available in the website of the Company.
- 8. Correspondence:** Members are requested to address all correspondence, including payment of unclaimed dividend, change of address etc. to the Registrars and Share Transfer Agents (RTA) 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, Bengaluru-560003
e-mail: naidu@ccsl.co.in
CIN: U85110KA1994PLC016174

If the shares are held in dematerialised form, the change of address, bank account particulars and all such requests are to be processed through the respective depository participants.

ANNEXURE TO THE NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act").

In respect of Agenda No.3 – Re-appointment of Shri S A Kadur, Director

In terms of the Provisions of Section 152 and all other applicable Provisions of the Act the office(s) of Smt P V Bharathi (DIN-06519925) (Non-executive promoter director) and Shri S A Kadur, Director (DIN-06426985) (Non-executive promoter Director) are in the category of directors to retire by rotation. Shri S A Kadur has been longest in office since his last appointment. In terms of section 152(6)(d) of the Act, the Board had resolved that Shri S A Kadur shall retire at the 31st Annual General Meeting of the Company and being eligible may offer himself for re-appointment as a Director at the same meeting.

Agenda No. 3 is an ordinary business. However, in terms of Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following particulars relating to Shri S A Kadur (DIN-06426985), Director, who is retiring by rotation in this meeting and being eligible has offered himself for re-appointment, are provided for the information of members.

Shri S A Kadur, General Manager, Canara Bank, is a director of the Company since June 07, 2013. Shri Kadur is a B.E. (Mechanical) engineering graduate and he began his career as a Technical Field Officer in Canara Bank in February, 1984. During his tenure in the Bank for over a period of 34 years, he has served in different branches, including Prime Corporate branch at Pune and Chennai, Circle Office, Mumbai, Corporate Merchant Banking Division, Mumbai and Risk Management Wing at the Head Office. At present, he is working as the General Manager, Prime Corporate Credit Wing, Head Office, Bengaluru.

Shri S A Kadur, Director, being eligible is willing and offering himself for re-appointment as the director of the Company, at this Annual General Meeting.

Shri S A Kadur, Director is not holding any shares in the Company (both own and held by/for other persons on a beneficial basis) and has not availed any loan from the Company. He is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from him, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming his eligibility.

Shri S A Kadur, Director does not hold directorships in any other listed entities. He is a member of Audit

Committee and Management Committee of the Board of your Company. Shri S A Kadur, Director, is eligible to receive a sitting fee of ₹20,000/- for attending a meeting of the Board and ₹10,000/- for attending a meeting of the Committee. The sitting fee amount will be paid to the credit of Canara Bank.

Your directors are of the opinion that Shri S A Kadur fulfils the conditions specified in the Companies Act, 2013, as amended, for such re-appointment and his re-appointment would be in the best interest of the Company.

All the registers and files relating to Shri S A Kadur, Director, are available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day.

None of the directors are related inter-se. No Director, other than Smt P V Bharathi (Executive Director, Canara Bank) and Shri Sarada Kumar Hota (General Manager, Canara Bank) and Shri Shreekant M Bhandiwad (Dy. General Manager, Canara Bank) and Shri S A Kadur (all are executives of Canara Bank), or any key managerial personnel or the relatives of the directors or key managerial personnel, is in any way concerned or interested, financially or otherwise, in the said agenda.

Your Board of Directors therefore, recommend the re-appointment of Shri S A Kadur as proposed at Agenda No.3 of the Notice.

In respect of Agenda No.4 – Appointment of Smt. Bharati Rao as Independent Director

The Board of Directors have appointed Smt Bharati Rao (DIN-01892516), on the Board of the Company with effect from September 05, 2017 as an additional director and as Independent Director pursuant to Section 161 and 149 and all other applicable provisions of Companies Act, 2013, on the recommendations of the Nomination and Remuneration Committee constituted under Section 178(1) of the said Act.

In terms of Section 161 and other applicable provisions of the Companies Act, 2013 Smt Bharati Rao, Additional Director, is proposed to be appointed as Independent Director of the Company in the ensuing Annual General Meeting scheduled to be held on July 18, 2018 as authorized by the Board at its 184th Meeting held on September 05, 2017.

Smt Bharati Rao is a post graduate degree holder in Economics viz., M.A. (Economics) and a CAIIB. Smt Bharati Rao has more than 40 years of experience in the banking industry. She had joined State Bank of

India in 1972 and in her long and distinguished career in the Bank, she had held both domestic and international positions and was in-charge of areas such as Project Finance, Credit & Risk Management, International Banking, Human Resources and Mergers & Acquisitions. Smt Bharati Rao retired as the Deputy Managing Director of SBI and she had held concurrent charge of SBI's 7 Associate Banks and 7 Non-Banking Subsidiaries. She also played a key role in the planned merger between State Bank of India and State Bank of Saurashtra which was completed in 2008.

Smt Bharati Rao is the Chairperson of Nomination, Remuneration & HR Committee and member of Audit Committee, Stakeholder Relationship Committee and Risk Management Committee of the Board in the Company.

Your Company has received a notice in writing from a shareholder, under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 signifying their intention to propose the appointment of Smt Bharati Rao, as an Independent Director of the Company at the ensuing Annual General Meeting. Smt Bharati Rao is willing to act as an Independent Director of the Company, if so appointed and has filed with the Company her consent in writing in Form DIR-2 pursuant to Section 152 of the said Act.

Smt Bharati Rao is not holding any equity share in the Company (both own and held by/for other persons on a beneficial basis) and has not availed any loan from the Company.

She is not disqualified from being appointed as a director in terms of Section 164(2) of the Act. The requisite Form DIR-8 is received from Smt Bharati Rao, by the Company, in terms of the Companies (Appointment and Qualification of Directors) Rules, 2014, confirming her eligibility for such appointment. She has also submitted a declaration to that effect that she meets the criteria of independence as provided in Section 149(6) of the Act and the declarations-cum-undertaking and the Deed of covenants as required under HFCs Corporate Governance (NHB) Directions, 2016.

In terms of Sec.149, 150 and 152 of the Companies Act, 2013 and other applicable provisions of the said Act and rules made thereunder, Smt Bharati Rao, being eligible, is proposed to be appointed as an Independent Director from this Annual General Meeting until the conclusion of the Annual General Meeting of the Company of the year 2020.

Your directors are of the opinion that Smt Bharati Rao fulfils the conditions specified in the Companies Act,

2013 for such appointment and her appointment as an Independent Director would be in the best interest of the Company.

None of the directors are related inter-se. No Director or any Key Managerial Personnel or the relatives of the directors or Key Managerial Personnel is in any way concerned or interested, financially or otherwise, in the said resolution. Copy of the draft letter for appointment of Smt Bharati Rao as an independent director setting out the terms and conditions and the consents and declarations referred above, would be available for inspection by the members without any fee at the Registered Office of the Company during normal business hours on any working day and also at the AGM.

Your Directors therefore, recommend the passing of the resolution proposed at Agenda No.4 of the Notice. This Explanatory Statement may also be regarded as a disclosure under Regulation 36 of SEBI (LODR) Regulations, 2015.

In respect of Agenda No.5 - Appointment of Shri Shreekant M Bhandiwad as director and Whole-time Director of the Company

Shri Shreekant Mohanrao Bhandiwad (DIN-08120906) has been appointed as an additional director and the Whole-time Director (designated as Deputy Managing Director) of the Company with effect from April 28, 2018, on the recommendations of the Nomination and Remuneration Committee constituted under Section 178(1) of the said Act.

As required under the provisions of Companies Act, 2013 and related rules and also under Regulation 36 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, all the relevant information relating to Shri Shreekant M Bhandiwad, are provided in this explanatory statement.

Shri Shreekant Bhandiwad, a Post Graduate in Agricultural Sciences, started his career as an Officer in Canara Bank in the year 1994. During his service in the Bank he has headed different branches, Circle Offices and various departments at the Circle and Corporate level. Shri Bhandiwad is a senior banker with over 24 years of commercial banking experience having served across the States of Haryana, Rajasthan and Karnataka. He is also a CAIIB.

Before his posting to the Company, he was heading the Rajasthan operations of Canara Bank as Head of Jaipur Circle of the Bank. Prior to this, he had worked in Jaipur Regional Office, Bangalore Cantonment and Yediyur Branches. He had also worked in Bangalore Langford Town, Davanagere Regional Office and also in Head Office, Bengaluru. Apart from his successful

tenure at various places as above, Shri Bhandiwad carries with him the experience of over eight years at the Managing Director's Secretariat in the Bank. With over 10 years' service left with him, Shri Bhandiwad is one of the youngest Top Executives of Canara Bank.

Considering the profile and experience of Shri Shreekant Bhandiwad, Deputy General Manager, Canara Bank and recommendations of the Nomination & Remuneration Committee, the Board of Directors of your Company have appointed Shri Shreekant Bhandiwad as an additional director and the Whole-time Director of the Company, with effect from April 28, 2018 for a tenure of three years and subject to further extension in the period of service, if any, by Canara Bank, at such remuneration, as detailed in the terms and conditions of deputation received from Canara Bank, in terms of the applicable Articles of the Articles of Association of the Company and Section 152, 161, 196, 197, 198, 203 and all other applicable provisions, if any, of the Companies Act, 2013, related rules, read with Schedule V to the said Act.

The above appointments are subject to approval by the members of the Company at the 31st Annual General Meeting of the Company.

Your Company has received a notice in writing from a member as required under Section 160 and all other applicable provisions, if any, of the Companies Act, 2013 and Amendment Act, 2017, signifying their intention to propose the candidature of Shri Shreekant Bhandiwad, for the office of a director of the Company, to be appointed as such at the ensuing Annual General Meeting, under the provisions of Section 149, 152 and all other applicable provisions of the Companies Act, 2013. Shri Bhandiwad is willing to act as a Director and the Whole-time Director of the Company, if so appointed and has filed with the Company his consent in writing in Form DIR-2 pursuant to Section 152 of the said Act and Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014. The terms and conditions of appointment and the remuneration payable to Shri Shreekant Bhandiwad as Whole-time Director are given below:

Tenure – 3 years;

Remuneration: Basic Pay - ₹76,520 per month; Dearness Allowance – Variable; Dearness Allowance [as per index level]; Special Allowance - 11% of Basic Pay + DA; City Compensatory Allowance - ₹870/- per month; Deputation Allowance - 4% of Basic Pay subject to maximum of ₹2000/-per month; House Rent Allowance – As per norms;

Perquisites: Accommodation - If the executive having his own house at the place of deputation he should occupy the same else he is eligible for bank's quarters. If the executive already occupied bank's quarters he is not eligible for house rent allowance; Eligible for Residential Telephone; Eligible for Office Car & Driver;

Other allowances /facilities:

Medical Advances - ₹9050/- per annum; Leave Fare Concession - In a block of 4 years once to native place / place of domicile in the sub block of 2 years by the shortest route and once to any place in india in the II sub block of two years by the shortest route.;

Encashment of LFC facility: An officer by exercising an option any time during a four years block/ two years block as the case may be, surrender and encash his/ her LFC [other than travel to place of domicile] upon which he/ she shall be entitled to receive an amount equivalent to 75% of the eligible fare for the class of travel by train to which he is entitled upto a distance of 5500 kms [one way] for officers in SMG IV & above. The permissible amount of encashment of leave fare concession as per the entitlement as at the prevailing railway fares. Such encashment amount is taxable as per IT rules. Upto 30 days of PL can be encashed once in a period of 4 years while availing LFC.;

Leave -Casual Leave: 12 days in a calendar year; Privilege Leave: At the rate of one day for 11 working days — max accumulation is restricted to 270 days.; Sick Leave: 30 days leave on half pay or 15 days on full pay as sick leave per year, maximum 540 days on half pay additional sick leave: maximum 90 days on half pay.;

Contribution to Provident Fund- 10% of the Basic Pay & increment component of FPP & PQP.;

On repatriation: Leave Salary corresponding to the leave earned during the period of deputation but not availed shall be payable to the bank.; Gratuity on prorata basis for the period of deputation is payable to the bank.;; Club Membership & Reimbursement towards Newspaper Payable as per bank rules.; During the period of deputation the executive shall be governed by the provisions of Canara Bank [officers] service regulations, 1979 and Canara Bank officer employees' [discipline and appeal] regulation 1976 and Canara Bank officer employees [conduct], regulations, 1976. On repatriation, the deputed organisation shall pay the leave salary, bank's contribution of SPF during the period of deputation and gratuity on prorata basis payable for the period of deputation, to the bank.

Shri Shreekant Bhandiwad is eligible to receive the