

CFHRO SE CS LODR 117/2019
04/11/2019

ONLINE SUBMISSION

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

Sub: Outcome of the Board meeting held on 04/11/2019

Ref: Our letter CFHRO SE CS LODR 110/2019 dated 14/10/2019

We wish to inform that at the meeting of the Board of Directors of the Company held today i.e., 04/11/2019, Monday, at Bengaluru, the Un-audited Financial Results of the Company for the 2nd quarter and half year ended on 30/09/2019, duly reviewed and recommended by the Audit Committee, have been approved by the Board of Directors.

In this regard, we submit the following documents:

- i. Statement of Standalone Un-audited Financial Results of our Company for the 2nd quarter and 6 months ended 30/09/2019 including half-yearly statement on assets and liabilities of the Company and statement of cash flow for the half year, duly signed by the Managing Director of the Company **(Annexure-1)**.
- ii. Limited Review Report for the said period issued by M/s. Varma & Varma, Chartered Accountants, the Statutory Auditors of the Company **(Annexure -2)**.
- iii. Additional Information in compliance with Chapter V of LODR Regulations, 2015 [Reg.52(4)] **(Annexure -3)**.
- iv. 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 30/09/2019 **(Annexure -4)**.

The above results, duly reviewed and recommended by the Audit Committee, has been approved by the Board of Directors of the Company at the above meeting.

The meeting of the Board of Directors commenced at 10:30 a.m. and concluded at 2:40 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 are being made available on the Company's website www.canfinhomes.com simultaneously. The above intimation may please be taken on record.

Thanking you,

Yours faithfully,
For Can Fin Homes Ltd.,


Veena G Kamath
Company Secretary

Encl: As above.





CAN FIN HOMES LIMITED

(Rs. In lakhs)

Statement of Un-Audited Financial Results for the Quarter ended 30/09/2019							
Sl.No.	Particulars	Quarter Ended			Six months ended		Year ended
		(30/09/2019)	(30/06/19)	(30/09/2018)	(30/09/19)	(30/09/18)	(31/03/2019)
		Un-audited & Reviewed	Un-audited & Reviewed	Un-audited & Reviewed	Un-audited & Reviewed	Un-audited & Reviewed	Audited
1	Income from Operations:						
	- Interest Income	49,398.47	47,725.27	41,419.25	97,123.74	81,055.54	1,69,554.89
	- Fees and Commission Income	650.43	675.73	574.95	1,326.16	1,056.57	2,740.22
	- Other Income	17.81	13.11	188.61	30.91	334.48	439.45
	Total Income from Operations	50,066.71	48,414.10	42,182.81	98,480.81	82,446.59	1,73,134.56
2	Expenditure:						
	- Finance Costs	33,846.65	32,936.82	28,369.62	66,783.47	55,364.59	1,16,909.92
	- Fees and Commission Expense	277.71	279.19	280.16	556.90	485.06	1,085.10
	- Employee Benefit expense	1,226.42	1,261.44	603.08	2,487.86	1,660.11	4,139.92
	- Depreciation and Amortisation	206.77	220.00	62.37	426.77	120.79	296.88
	- Provisions for Expected Credit Loss and Write offs	627.40	865.70	-	1,493.10	-	109.22
	- Other Expenses	792.42	561.03	829.73	1,353.45	1,514.89	3,643.04
	Total Expenditure	36,977.37	36,124.19	30,144.97	73,101.56	59,145.44	1,26,184.08
3	Profit Before Tax	13,089.33	12,289.92	12,037.84	25,379.25	23,301.15	46,950.48
4	Tax Expenses						
	- Current Tax	2,632.93	4,516.03	4,474.93	7,148.96	8,670.18	17,355.46
	- Deferred Tax	694.40	(324.29)	(592.02)	370.11	(846.41)	(78.67)
	Total Tax Expenses	3,327.34	4,191.73	3,882.91	7,519.07	7,823.77	17,276.79
5	Net Profit after Tax	9,762.00	8,098.18	8,154.93	17,860.18	15,477.38	29,673.69
	Other Comprehensive Income (net of tax)	50.17	51.13	(76.03)	101.31	(86.52)	(12.74)
6	Total Comprehensive Income	9,711.83	8,047.05	8,230.96	17,758.88	15,563.90	29,676.43
7	Paid-up equity share capital (Face value of ₹2/- per share)	2,663.31	2,663.31	2,663.31	2,663.31	2,663.31	2,663.31
8	Reserves excluding Revaluation Reserves as per balance sheet of previous accounting year	1,75,555.29	1,75,555.29	1,46,035.44	1,75,555.29	1,46,035.44	1,75,555.29
9	Earnings Per Share (EPS) (of ₹2/-each)	(As at 31/03/2019) Not Annualised	(As at 31/03/2019) Not Annualised	(As at 31/03/2018) Not Annualised	(As at 31/03/2019) Not Annualised	(As at 31/03/2018) Not Annualised	(As at 31/03/2019) Annualised
	(a) Basic	7.33	6.08	6.12	13.41	11.62	22.29
	(b) Diluted	7.33	6.08	6.12	13.41	11.62	22.29



Note 1: Statement of Assets and Liabilities

(Rs. In lakhs)

Sl No.	Particulars	As at 30th Sept 2019	As at 31st Mar 2019
		Un-audited & Reviewed	Audited
	ASSETS		
I	Financial Assets		
a)	Cash and Cash equivalents	541.20	40,153.45
b)	Bank Balances other than above	4,537.74	1,871.94
c)	Derivative Financial Instruments	-	-
d)	Receivables		
	(i) Trade Receivables	10.14	13.91
	(ii) Other Receivables	-	-
e)	Loans	19,49,017.82	18,28,452.29
f)	Investments	1,830.45	1,606.50
g)	Other Financial Assets	437.60	289.73
II	Non-Financial Assets		
	Inventories	-	-
a)	Current Tax Assets (Net)	3,791.45	2,062.39
b)	Deferred Tax Assets (Net)	2,265.11	2,400.76
c)	Investment Property	-	-
	Biological Assets other than bearer plants	-	-
c)	Property, Plant and Equipment	3,669.70	985.15
	Capital Work in Progress	-	-
	Intangible Assets under Development	-	-
	Goodwill	-	-
	Other Intangible Assets	-	-
d)	Other non-financial assets	230.24	147.84
	TOTAL	19,66,331.45	18,77,983.96
	LIABILITIES AND EQUITY		
	LIABILITIES		
I	Financial Liabilities		
	Derivative Financial Instruments	-	-
a)	Payables		
	Trade Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	253.75	215.89
	Other Payables		
	(i) total outstanding dues of micro enterprises and small enterprises	-	-
	(ii) total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
b)	Debt Securities	3,06,073.66	3,45,015.05
c)	Borrowings (Other than debt securities)	13,90,601.89	12,98,319.16
d)	Deposits	28,919.24	26,109.48
e)	Subordinated Liabilities	-	-
f)	Other Financial Liabilities	33,351.86	20,796.92
II	Non-Financial Liabilities		
a)	Current tax liabilities (Net)	-	-
b)	Provisions	2,814.06	2,663.65
c)	Deferred tax liabilities (Net)	-	-
d)	Other non-financial liabilities	10,598.03	6,645.21
III	EQUITY		
a)	Equity Share capital	2,663.31	2,663.31
b)	Other Equity	1,91,055.64	1,75,555.29
	TOTAL	19,66,331.45	18,77,983.96



Note 2: Cash Flow Statement for the half year ended September 30, 2019

		(Rupees in lakhs)	
Sl. No	Particulars	30-09-2019	30-09-2018
A)	Cash Flow from Operating Activities		
	Net Profit Before Tax and Exceptional Items	25,379.25	23,301.16
	Add:		
i)	Adjustment For:		
	Depreciation and Amortization	426.77	120.79
	Loss/(Profit) on Sale of Assets [net]	0.78	0.58
	Interest expense accrued but not paid	12,992.07	19,448.85
	Interest income accrued but not received	(41.94)	(36.18)
	Provision/Write offs	1,493.10	-
	Fair Value adjustments on Debentures	58.62	103.95
	Fair Value adjustments on Investments	1.00	-
	Adjustments to retained earnings due to adoption of Ind AS 116	-595.83	-
	Operating Profit before Working Capital Changes	39,713.83	42,939.15
ii)	Adjustment For Working Capital:		
	(Increase)/Decrease in Trade Receivables	3.77	13.06
	Increase/(Decrease) in Trade Payables	37.86	-745.01
	(Increase)/Decrease in Other Financial Assets	(105.93)	(81.40)
	(Increase)/Decrease in Loans	(1,22,058.64)	(1,18,544.97)
	Increase/(Decrease) in Provisions	49.10	-174.99
	(Increase)/Decrease in Other non-financial assets	(82.40)	(111.43)
	Increase/(Decrease) in Other financial liabilities	(10,588.08)	(14,391.92)
	Increase/(Decrease) in Other non-financial liabilities	14,191.57	1,187.25
		(1,18,552.75)	(1,32,849.43)
	Cash Generated from Operations	(78,838.92)	(89,910.28)
	Less: Taxes Paid	7,652.43	5,798.27
	Net Cash Flow from Operating Activities	(86,491.35)	(95,708.55)
B)	Cash Flow from Investing Activities		
	Purchase of Property, Plant and Equipment	(3,112.90)	(55.60)
	Sale of Property, Plant and Equipment	0.79	1.05
	Investment in Government Securities	(224.94)	-
	(Increase)/Decrease in Other Bank balances	(2,665.80)	(2,655.41)
	Net Cash Flow from Investing Activities	(6,002.86)	(2,709.96)
C)	Cash Flow from Financing Activities		
	Short term borrowings including commercial papers	(27,499.06)	(18,361.12)
	Long Term Borrowings taken	4,31,000.00	5,87,500.00
	Long Term Borrowings repaid	(3,11,218.21)	(3,98,000.00)
	Proceeds from deposits accepted (net)	2,809.76	394.97
	Debt Securities (net)	(39,000.00)	(69,896.05)
	Dividend and dividend distribution tax paid	(3,210.54)	(3,210.54)
	Net Cash Flow from Financing Activities	52,881.95	98,427.26
	Increase/ (Decrease) in Cash & Cash Equivalents	(39,612.25)	8.76
	Cash & Cash Equivalents at the Beginning of the Year	40,153.45	73.42
	Cash & Cash Equivalents at the end of the Year [refer note 3(a)]	541.20	82.18
	Other Notes:		
	Cash and Cash equivalents include:		
	Cash on hand	122.98	79.77
	Cheques on hand	-	-
	Balance with Banks		
	- Current Accounts	418.22	2.41
	- Fixed Deposits	-	-
	Total	541.20	82.18



Notes to the Financial Results

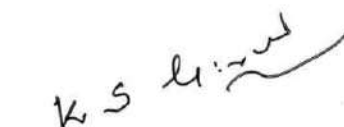
1	As required by Ind AS 109, the company has developed a model to calculate expected credit losses (ECL). Summary results from this model indicate that the company is carrying provisions in excess of its requirements. The Company is required to provide provisions as per prudential norms prescribed by NHB. The provisions held as per NHB norms are in excess of the provision required as per the ECL model.
2	The Company's main business is to provide loans for the purchase and construction of residential houses. The Company is also involved in the corporate insurance agency business activity; however it is not a separate reportable segment as per the Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013. As such there is no reportable segment(s), as per the IND AS "Operating Segments" specified under section 133 of the Companies Act, 2013.
3	During the quarter ending March 31, 2019, the company amended their model for recognition of fees and commission income. Due to this amendment, profit after tax for the quarter ended September 30, 2018 has been restated accordingly.
4	The Company in its Annual General Meeting held on July 17, 2019 has approved the payment of dividend towards financial year ended March 31, 2019 of Rs. 2/- per Equity share of face value of Rs. 2/- each which was proposed by the board of directors on April 30, 2019.
5	The Company has maintained 100% Asset Cover on its secured redeemable non-convertible debentures as on September 30, 2019 (floating charge on hypothecation of book debts and receivables). That proceeds of the NCDs are used for the objects that were stated in the offer document(s).
6	The Company has adopted Ind AS 116 "Leases", with effect from April 1, 2019 and applied to all lease contracts existing on April 1, 2019 using the modified retrospective method and has taken the cumulative adjustment to retained earnings as per the guidelines provided in Paragraph C7 and Paragraph C8 c(i) of Ind AS 116, on the date of initial application. Accordingly, comparatives for the year ended March 31, 2019 have not been retrospectively adjusted. On transition, the adoption of the new standard resulted in recognition of Right-of-Use asset (ROU) of Rs. 3,012.85 Lakhs and a lease liability of Rs. 3,806.06 Lakhs. The cumulative effect of applying the standard resulted in Rs.595.83 Lakhs net of taxes being debited to retained earnings.
7	Pursuant to Taxation Laws (Amendment) Ordinance 2019, dated September 20, 2019, the Company intends to exercise the option permitted u/s 115BAA of the Income Tax Act, 1961 to compute Income tax at the rate (i.e., 25.17%) from the current financial year. The tax expense for the quarter and half year ended September 30, 2019 is after considering the impact of revised tax rates. On account of re-measurement of deferred tax asset at the revised tax it is lower by INR 875.22 Lakhs.
8	The Statutory Auditors of the Company have carried out a limited review of the financial results for the quarter and half year ended September 30, 2019 in compliance of Reg.33 of SEBI (LODR) Regulations, 2015. The above financial results have been reviewed and recommended by the Audit Committee of Directors and subsequently approved by the Board of Directors at its meeting held on Nov 04, 2019.
9	The figures have been re-grouped wherever necessary.

In terms of our report attached,
For **Varma & Varma**,
Chartered Accountants
FRN:- 0045325

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



Cherian K Baby
Partner
M.No: 16043



Girish Kousgi
Managing Director & CEO

Place: Bengaluru
Date: 04.11.2019



Varma & Varma

Chartered Accountants

INDEPENDENT AUDITOR'S REVIEW REPORT ON UNAUDITED INTERIM FINANCIAL RESULTS

To,
The Board of Directors of
Can Fin Homes Limited, Bangalore

We have reviewed the accompanying statement of unaudited Ind AS financial results of **Can Fin Homes Limited** ('the Company') for the quarter end and half year ended September 30, 2019 ('the Statement') attached herewith, being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time (the Listing regulations). Attention is drawn to the fact that the figures of the cash flow statement for the corresponding period April 1, 2018 to September 30, 2018 as reported in these financial results have been approved by the company's board of directors, but have not been subjected to review by us since the requirement of submission of cash flow statement has become mandatory only from April 1, 2019.

This statement which is the responsibility of the company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS 34) "Interim Financial Reporting" prescribed under section 133 of the Companies Act 2013 as amended read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the statement based on our review.

We conducted our review of the statement in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the statement is free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian accounting standards specified in section 133 of the Companies Act 2013 as amended, read with relevant rules issued thereunder and other recognised accounting practices and policies, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with circular number CIR/CFD/FAC/62/2016 dated July 05, 2016 of SEBI including the manner in which it is to be disclosed, or that it contains any material misstatement.

Place: Bengaluru
Date: 4.11.2019



For **VARMA & VARMA**
Chartered Accountants
FRN 0045325

CHERIAN K BABY
Partner

M No. 16043
UDIN:19016043AAAABU6073

CAN FIN HOMES LTD (CIN: L85110KA1987PLC008699)

Audited Standalone Financial Results for the half year ended September 30, 2019

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)	Details of Credit Rating:	
	<u>(i) India Rating & Research Pvt Ltd-Fitch Group</u>	
	Secured Non-Convertible debentures Rs. 7000 Crore (Rs.4602 Cr issued and outstanding as on the date of rating letter)	"IND AAA" (Outlook: Negative)
	Subordinated Debt Programme Rs.300 Crore	"IND AAA" (Outlook: Negative)
	<u>(ii) Credit Analysis and Research Ltd</u>	
	Secured Taxable Non-Convertible debentures Rs. 2500 Crore (Rs.3060 Cr issued and outstanding as on the date of rating letter)	"CARE AAA" (Stable)
	Subordinated Debt Programme Rs.300 Crore	"CARE AAA" (Stable)
	<u>(iii) ICRA Limited</u>	
	Secured Non-Convertible debenture programme Rs.7100 Crore	[ICRA] AA+ (Outlook : Watch with development implications)
	Subordinated Debt Programme Rs.300 Crore	[ICRA] AA+ (Outlook : Watch with development implications)
(b)	Asset Cover available:	
	The listed Secured Redeemable Non-Convertible Debentures of the Company aggregating Rs. 2962 Crore as on September 30, 2019 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.2968 against the outstanding Rs. 2962 Crore, thereof exceeds the required cover to be maintained for the said debentures.	
	Particulars	As on September 30, 2019
(c)	Debt Equity Ratio	8.91
(d)	Previous due dates for the payment of interest of Non-Convertible Debentures (01/04/2019 to 30/09/2019)	Details as per Annexure A
(e)	Next due date for the payment of interest of Non-Convertible Debentures (01/10/2019 to 31/03/2020)	Details as per Annexure B
(f)	Previous due dates for payment of Principal along with interest of Non-Convertible Debentures (01/04/2019 to 30/09/2019)	Details as per Annexure C
(g)	Next due dates for payment of Principal along with interest of Non-Convertible Debentures (01/10/2019 to 31/03/2020)	Details as per Annexure D
(h)	Debt Service Coverage ratio	0.39
(i)	Interest Service Coverage ratio	1.38
(j)	Net Worth (Rs. in Cr) (as on 31/03/19)	1,049.68
(k)	Net Profit after Tax (Rs. in Lakhs)	177.59
(l)	Earnings per share (EPS) – Basic (Amount in Rs.)	13.41

*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 01/04/2019 to 30/09/2019:

Sl.No.	ISIN	Due dates of Interest during last half year	Interest Amount	Status of Payment
			(In Crore)	
1	INE477AO7159 (125 Cr)	06-04-2019	2.62	Paid
2	INE477AO7167 (165 Cr)	17-05-2019	3.56	Paid
3	INE477AO7241 (600 Cr)	18-05-2019	47.34	Paid
4	INE477AO7183 (100 Cr)	27-05-2019	8.55	Paid
5	INE477AO7258 (400 Cr)	26-07-2019	29.28	Paid
6	INE477AO7183 (100 Cr)	27-08-2019	2.16	Paid
7	INE477AO7191 (300 Cr)	16-09-2019	23.55	Paid
8	INE477AO7100 (100 Cr)	10-09-2019	8.69	Paid

ANNEXURE B

Details of next due dates for payment of Interest of Non-Convertible Debentures from 01/10/2019 to 31/03/2020:

Sl.no	ISIN	Due dates of Interest during next half year	Interest Amount	Status
			(In Crore)	
1	INE477AO7266 (200 Cr)	17-10-2019	14.88	Paid
2	INE477AO7209 (440 Cr)	24-10-2019	34.01	Paid
3	INE477AO7217 (122 Cr)	15-11-2019	9.48	Not yet due
4	INE477AO7274 (200 Cr)	29-11-2019	15.28	Not yet due
5	INE477AO8205 (100 Cr)	03-12-2019	8.94	Not yet due
6	INE477AO7191 (300 Cr)	16-12-2019	5.89	Not yet due
7	INE477AO7225 (400 Cr)	12-01-2020	30.28	Not yet due
8	INE477AO7209 (440 Cr)	24-01-2020	8.50	Not yet due
9	INE477AO7233 (200 Cr)	27-02-2020	15.36	Not yet due

ANNEXURE C

Details of previous due dates for Redemption of Non-Convertible Debentures from 01/04/2019 to 30/09/2019:

Sl.no	ISIN	Due dates of Redemption during next half year	Redemption Amount	Status
			(In Crore)	
1	INE477AO7159 (125 Cr)	06-04-2019	125	Paid
2	INE477AO7167 (165 Cr)	17-05-2019	165	Paid
3	INE477AO7183 (100 Cr)	27-08-2019	100	Paid

ANNEXURE D

Details of next due dates for Redemption of Non-Convertible Debentures from 01/10/2019 to 31/03/2020:

Sl.no	ISIN	Due dates of Redemption during next half year	Redemption Amount	Status
			(In Crore)	
1	INE477AO7191 (300 Cr)	16-12-2019	300	Not yet due
2	INE477AO7209 (440 Cr)	24-01-2020	440	Not yet due





SBICAP Trustee Company Ltd.

Ref.no. 2736 /SBICTCL/DT/2019-20

Date: 4th November 2019

To,
Can Fin Homes Limited
No. 29/1, Sir M. N. Krishna Rao Road,
Lalbagh West, Basavanagudi,
Bangalore - 560 004.


Sub:- Certificate u/r 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, for various Debentures Issue by CanFin Homes Limited ("Issuer"), for the half year ended 31st March 2019.

Dear Sir/ Madam,

We are acting as Debenture Trustee for the captioned Debenture Issues. Pursuant to Regulation 52(4) read with Regulation 52(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the issuer is required to submit its yearly financial results with a certificate of Debenture Trustee, that the Debenture Trustee has noted the contents furnished by the issuer as per the Regulation 52(4).

In pursuance thereof we hereby confirm that we have received the said information vide your email dated November 4, 2019 along with the relevant/ necessary supporting and we have noted the contents of the audited financial results furnished by the issuer as per the Regulation 52(4) of the Regulations.

Yours faithfully,
For SBICAP Trustee Company Limited



Authorised Signatory

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helpdesk@sbicaptrustee.com

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Pin - 400 020.

Registered Office :
202, Maker Tower E,
Cuffe Parade, Mumbai - 400 005.
CIN : U65991MH2005PLC158386

A Group Company of SBI