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BOARD OF DIRECTORS

- Chairman** : **Dr Palani G Periasamy**
- Directors** : **Ms Visalakshi Periasamy**
Dr S Muthu
Mr R K Viswanathan
Mr M Ganapathy
- Managing Director** : **Mr K Kandasamy**
- Company Secretary & Sr.Vice President (Corporate Affairs)** : **Mr N Subramanian**
-

- Auditors** : **M/s K Ramkrish & Co.,**
New No.19, Old No.9-A
Bagavantham Street,
T. Nagar, Chennai 600 017.
- Bankers** : **Indian Bank,**
Sterling Road Branch, Nungambakkam
Chennai – 600 034.
- Admn. & Registered Office** : **“PGP House”**
No.57, Sterling Road,
Nungambakkam,
Chennai – 600 034.
Phone Nos. 2831 1313, 2825 4176
Fax No. 044 – 2823 2074
Email: secretarial@dharanifinance.in
Website : www.dharanifinance.in



NOTICE TO SHAREHOLDERS

Notice is hereby given that the **TWENTY SECOND ANNUAL GENERAL MEETING** of the members of the Company will be held on Thursday the **20th September 2012 at 10.00 a.m.**, at Sathguru Gnanananda, **Mini Hall**, Narada Gana Sabha, No. 314, T T K Road, Alwarpet, Chennai - 600 018 to transact the following business.

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2012 and Statement of Profit and Loss for the year ended on that date and consider the reports of the Directors and Auditors.
2. To appoint a Director in place of Dr Palani G Periasamy, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Shri M Ganapathy, who retires by rotation and being eligible offers himself for re-appointment
4. To declare dividend on Equity shares.
5. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

By Order of the Board
For Dharani Finance Limited

Place : Chennai – 34
Date : 23.05.2012

N. Subramanian
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**

The proxy form, in order to be effective must be duly completed, stamped and lodged with the Registered Office of the Company not less than forty-eight hours before the commencement of the meeting.

2. The Share Transfer Books of the Company will remain closed from 10th September 2012 to 20th September 2012 (both days inclusive).
3. Members/ Proxy holders must bring the Attendance Slip duly signed to the meeting and hand it over at the entrance. Xerox copy/ torn attendance slips will not be accepted.
4. Members holding shares in physical form are requested to quote their Registered Folio numbers and those holding shares in demat form to quote their ID Numbers in the attendance slips and in all correspondence with the Company and notify the Company/ Registrar & Transfer Agent immediately of change, if any, in their Registered Address and/ or of their mandates.
5. All documents referred to in the above notice are open for inspection at the Registered Office of the Company between 2.00 P.M and 4.00 P.M on any working day.
6. Members are requested to bring their copies of Annual Report to the Meeting.
7. Members who have not encashed their Dividend Warrants of 2007-08, 2009-10 and 2010-11 may send the same to the Registered Office or Share Transfer Agent for revalidation.
8. The Ministry of Corporate Affairs vide its Circular dated 21st April 2011 allows the Companies to send notices, annual reports and other documents by means of e-mail to the members of the Company as part of its green initiative programme in Corporate Governance. Hence members, who have not registered their e-mail addresses, are requested to register their e-mail addresses with the Company/Registrar.

By Order of the Board
For Dharani Finance Limited

Place : Chennai – 34
Date : 23.05.2012

N. Subramanian
Company Secretary

**DIRECTORS' REPORT**

Dear Members,

The Board of Directors present herein the **TWENTYSECOND** Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2012.

FINANCIAL RESULTS

The Financial results for the year ended 31st March 2012 are briefly as follows: -

(Rs. in Lakhs)

Particulars	For the year	For the year
	Ended	Ended
	31.03.2012	31.03.2011
Income through Travel Operations, Finance Services and others	351.32	293.74
Expenditure (Employee & Administrative Expenses)	197.03	188.83
Profit	154.29	104.91
Provision for diminution in value of investments	31.32	0.92
Depreciation	55.75	44.95
Interest & Bank Charges	0.81	2.93
Profit /(Loss) after depreciation & Interest	66.11	56.11
Provision for Income Tax		
- Current	24.30	19.00
- Deferred	(3.03)	(4.87)
Profit /(Loss) after Tax	44.84	41.98
Surplus /(deficit) brought forward	53.20	48.74
Profit available for appropriation	98.03	90.72
APPROPRIATIONS		
Transfer to Statutory Reserves	8.97	8.40
Proposed Dividend	34.98	24.99
Dividend Distribution Tax	5.67	4.15
Net Surplus/(Deficit) carried over	48.41	53.20

Government of India had revised the format for Balance Sheet and Statement of Profit and Loss Account to provide more detailed information to the shareholders. Accordingly, the Balance Sheet and Profit & Loss have been presented in the revised format. This will enable the shareholders to understand and appreciate the results in a much better manner.

PERFORMANCE

Income of the Company during the year 2011-12 rose to Rs.351.12 lakhs from Rs. 293.74 lakhs in the previous year. This represents an increase of 16.34%. The Company could earn a gross profit of Rs.154.29 lakhs against Rs. 104.91 lakhs in the previous year. A gain of Rs.28.48 Lakhs by selling some of its investments also contributed to this increase. Depreciation was provided at Rs.55.75 lakhs against Rs.44.95 lakhs in the previous year, an increase of 16%.

OUTLOOK

The general economic situation is expected to improve in the coming years and hopefully your Company can expect better returns. The Company has opened a travel desk at the newly opened five star hotel Le Meridien, Coimbatore part of the PGP Group. It is hoped that this will bring in additional business by providing travel facilities. The Company continues in its efforts to enlarge its business by providing IT services.

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs.0.70 per share (7.0%) absorbing a sum of Rs.34.98 Lakhs. A sum of Rs.5.67 lakhs has to be provided as Dividend Distribution Tax.

RESERVES

It is proposed to transfer a sum of Rs. 8.97 lakhs to the General Reserve. With this, the Reserves and Surplus as on 31st March 2012 would be Rs.143.12 lakhs.

DEPOSITS

The Company does not hold any public deposits as on 31st March 2012. The Company has stopped collecting public deposits and has got its Licence amended by Reserve Bank of India accordingly. Your Company does not propose to collect public deposits in the coming year.



RESERVE BANK OF INDIA DIRECTIONS:

The Company is a NBFC registered with Reserve Bank of India and follows all the RBI's regulations prescribed for such NBFCs not collecting public deposits.

DIRECTORS

Dr Palani G Periasamy retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Shir M Ganapathi retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment

As prescribed by Sec.217 (2AA) of the Companies Act, 1956, your Directors furnish herein the responsibility statement as under.

Your Directors state;

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii) that the Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

iv) that the Directors had prepared the annual accounts on a going concern basis.

AUDITORS

M/s. K Ramkrish & Co., Chartered Accountants retire as Statutory Auditors on the conclusion of this Annual General Meeting and they are eligible for reappointment. They have conveyed their consent for reappointment and have furnished the required declaration under Sec.224 of the Companies Act, 1956.

LISTING WITH STOCK EXCHANGE

The Company's securities are at present listed only with,

Bombay Stock Exchange Ltd. Floor 25, P.J. Towers, Dalal Street, Mumbai, whose terminals are available nationwide.

The Listing Fees for the Bombay Stock Exchange have been paid upto date.

**CORPORATE GOVERNANCE**

Your Company has implemented the code of Corporate Governance fully and the enclosed report gives the details thereon. A certificate from the statutory auditors on compliance of conditions of Corporate Governance has been obtained and copy enclosed to this report.

The Company had adopted most of the recently introduced voluntary guidelines for Corporate Governance by the Government of India. Some of them are also part of the guidelines prescribed under Clause 49 of the Listing Agreement and are being followed. However, some of the new voluntary guidelines are not yet introduced - like tenure for Independent Directors, rotation of Auditors, etc. Your Company will consider their adoption in the coming years to the extent feasible.

CORPORATE SOCIAL RESPONSIBILITY

Similarly the voluntary guidelines for Corporate Social responsibility will be introduced for adoption in due course.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

The provisions of Section 217(1) (e) of the Companies Act, 1956 relating to conservation of energy, technology absorption etc., are not applicable to your Company.

Foreign Exchange (Earnings & outgo: Total Foreign Exchange used and earned).

Particulars	2011 -12	2010 -11
Foreign exchange earnings	Nil	Nil
Foreign exchange outgo	Nil	Rs.1609.00

PARTICULARS OF EMPLOYEES

There are no employees falling within the requirements of Section 217 (2A) of the Companies Act, 1956.

CAUTIONARY STATEMENT

Statements made in this report describing industry outlook as well as Company's plans, projections and expectations may constitute 'forwarding looking statements'. Actual results may differ materially from those either expressed or implied. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

ACKNOWLEDGEMENTS

Your Directors place on record their appreciation of the services rendered by the Staff and Executives of your Company. Your Directors also thank the shareholders who have continued to repose their confidence in the Company and its management.

For and on behalf of the Board of Directors

DR PALANI G PERIASAMY
CHAIRMAN

PLACE: CHENNAI-34
DATE : 23.05.2012

**REPORT ON CORPORATE GOVERNANCE**

SEBI has introduced a code of Corporate Governance through Clause 49 of the Listing Agreement entered into with the Stock Exchanges. All the mandatory requirements of this Clause have been complied with. A certificate from the Statutory Auditor certifying to this effect has been obtained and attached herein, as stipulated by the Listing Agreement.

1. Company's Philosophy

The Company strives to achieve optimum performance at all levels by adhering to the best corporate governance practices such as:

- ◆ Fair and transparent business practices
- ◆ Effective management control by Board
- ◆ Accountability for performance
- ◆ Monitoring of executive performance by the Board
- ◆ Compliance of Laws.
- ◆ Transparent and timely disclosure of financial and management information.

2. Board of Directors**Composition of the Board of Directors**

Category	No of Directors	% of total number of Directors
Total No of Directors	6	-
Promoter	3	50.00
Executive Director	1	16.67
Non – Executive Directors	5	83.33
Non – Executive/ Independent Directors	3	50.00

Chairman is a non-executive Director besides being a promoter. Non-executive Directors constitute more than 50%. 50% of the Board are Independent Directors. Requirement of Clause 49 on this point is fully complied with.

During the year, 4 Board Meetings were held on 24.05.2011,05.08.2011,09.11.2011 and 10.02.2012.

The names of Directors and their attendance at the Board Meetings during the year and the last Annual General Meeting as also number of other Directorships are given below.

Sl.No	Name of the Director	Category of Directorship	No of Board Meetings Attended	Attendance at last AGM	No of other Directorship	No of Committee Membership	
						Chm.	Mem.
1	Dr Palani G Periasamy	Chairman Non Executive	4	Yes	4	3	-
2	Visalakshi Periasamy	Non Executive	4	Yes	3	-	2
3	R K Viswanathan	Non Executive Independent	4	Yes	-	1	2
4	K Kandasamy	Executive	4	Yes	1	-	5
5	M Ganapathy	Non Executive Independent	4	Yes	1	2	1
6	Dr S Muthu	Non Executive Independent	4	No	-	-	1

**2. Management Committee Meetings**

As Board Meetings were held promptly, there was no need for holding Management Committee Meetings during this year.

The names of Directors of the Management Committee are given below.

SI.No	Name of the Directors
1	Dr Palani G Periasamy
2	Ms Visalakshi Periasamy
3	Mr K Kandasamy

Dr Palani G Periasamy and Shri M Ganapathy, retire by rotation at this Annual General Meeting, and are being proposed for reappointment. Particulars of these Directors are given below:

1.	Name	Dr Palani G Periasamy
	Age	74 years
	Qualification	M.A., M.A., Ph.D.,
	Date of Appointment	10.08.1990
	Experience	> 40 years
	Other Directorship	1. Appu Hotels Limited 2. Dharani Sugars and Chemicals Limited 3. Dharani Credit & Finance Private Limited 4. PGP Hotels & Resorts India Private Limited 5. PGP Educational & Welfare Society

Member of Committees	Management Committee
No of Shares held	353112
Percentage of Shares	7.07
Inter Se Relationship	Not Applicable

2.	Name	Shri. M Ganapathy
	Age	73 Years
	Qualification	M.A. Economics
	Date of Appointment	24.08.2005
	Experience	Retired Indian Foreign Service Officer, worked in Indian Embassies in many countries
	Other Directorship / Membership	Ananthi Developers Limited
	Member of Committees	Audit, Remuneration Committee
	No of Shares held	Nil
	Percentage of Shares	Nil
	Inter Se Relationship	Not Applicable



4. Audit Committee

The Company constituted an Audit Committee in 2002. All the members are non-executive Directors and the Chairman is an independent Director. All the members are independent Directors. The major functions of the Committee are: -

- a. To review the financial statements before submission to the Board.
- b. To recommend appointment of Auditors and fix their Audit Fees.
- c. To review the internal control systems and improvement thereof.
- d. The Audit Committee will also consider the suitability of the person whenever any person is proposed to be appointed as Chief Financial Officer.

The Company Secretary is the Secretary of the Audit Committee.

During 2011 – 2012, the Audit Committee met four times, on 24.05.2011, 05.08.2011, 09.11.2011 and 10.02.2012.

Sl. No	Name of the Directors	Category	No of Meetings held four (4) Attended
1	Mr M Ganapathy (Chairman)	Non –Executive Independent	4
2	Mr R K Viswanathan	Non –Executive Independent	4
3	Dr S Muthu	Non –Executive Independent	4

5. Remuneration Committee

Though this is a Non-mandatory requirement, remuneration Committee has been in existence from 2004. The following non- executive Directors are Members. The Committee is to determine the specific remuneration packages for the executive director including pension rights etc.

Sl.No	Name of the Directors	Category
1	Mr R K Viswanathan	Non – Executive Independent
2	Dr S Muthu	Non – Executive Independent
3	Mr M Ganapathy (Chairman)	Non – Executive Independent

Terms of Reference

The remuneration Committee while approving the remuneration shall

- “ Take into account, financial position of the Company, trend in the industry, appointee’s qualification, experience, past performance, past remuneration etc.,
- “ Be in a position to bring about objectivity in determining the remuneration package while, striking a balance between the interest of the Company and the shareholders.



The non-executive Directors are not paid any remuneration except sitting fees for attending Board Meetings or any Committee thereof. Sitting fees are paid in accordance with the Articles of Association and within the maximum amount prescribed by the Central Government.

Remuneration Committee met on 23.05.2012 to approve the remuneration payable to Mr.K Kandasamy for the year 2011-12.

Remuneration paid to Mr K Kandasamy, Managing Director during 2011-12 is as follows:

This is in accordance with the approval of the Shareholders in the AGM held on 26th September 2011 & within the limits prescribed in Schedule XIII to the Companies Act, 1956.

Remuneration Committee had recommended the payment.

Particulars	Amount in Rs.
1. Salary	10,20,000.00
2. Medical Allowances	84,996.00
3. House Rent	90,000.00
Total	11,94,996.00
Company Contribution towards	
4. Provident Fund	1,22,400.00
5. Superannuation Fund	1,53,000.00
6. Gratuity	10,667.00
Total	14,81,063.00

Remuneration by way of sitting fees paid to non-executive Directors during 2011-12.
(In Rupees)

Name of Directors	Board	Committee
1. Dr Palani G Periasamy	4000	-
2. Mrs Visalakshi Periasamy	4000	-
3. Mr R K Viswanathan	4000	6000
4. Mr M Ganapathy	4000	5000
5. Dr S Muthu	4000	5000

No. of shares held by Non-Executive Directors

Sl.No.	Name of Directors	No. of Shares	% of Shares
1	Dr Palani G Periasamy	353112	7.07
2	Ms Visalakshi Periasamy	145198	2.91
3	Mr R K Viswanathan	21200	0.42
4	Mr M Ganapathy	Nil	Nil
5	Dr S Muthu	Nil	Nil

**6. Shareholders' / Investor Grievance Committee**

The Shareholders' Grievance Committee is in position to specifically look into shareholders / investors complaints, on transfer of shares, non – receipt of balance sheet, non- receipt of declared dividend etc., and also the action taken by the Company on those matters. The Committee met on 24.05.2011.

Sl.No	Name of the Members	Category	No of Meeting held one (1) Attended
1	Mr R K Viswanathan	Chairman Non –Executive	1
2	Mr K Kandasamy	Executive	1

The Board has designated the Company Secretary as the compliance officer.

Particulars of complaints received during the year 2011 –2012.	5 (Five Only)
Pending complaints as on 31.03.2012	Nil
email of the Compliance Officer	secretarial@dharanifinance.in
email of Registrar & Transfer Agents	investor@cameoindia.com
Website of the Company	www.dharanifinance.in

7. Details of Annual General Meetings (location and time) held in past three years.

AGM for the year	Location	Date	Time
2010 – 2011	Narada Gana Sabha New No.314 TTK Road Alwarpet, Chennai 600 018	26.09.2011	10.00 A.M
2009 – 2010	Narada Gana Sabha New No.314 TTK Road Alwarpet, Chennai 600 018	07.09.2010	10.00 A.M
2008 – 2009	Narada Gana Sabha New No.314 TTK Road Alwarpet, Chennai 600 018	03.08.2009	10.00 A.M

8. Details of Special Resolutions passed during the last 3 years:

The Company has not passed any special resolution through postal ballot last year. No special resolution is proposed to be passed by postal ballot this year.



9. Disclosures

Related party transactions are contracts or arrangements made by the Company from time to time with Companies in which the Directors are interested. All these contracts or arrangements were approved in the Board, entered in the Register of Contracts maintained under Section 301 of the Companies Act, 1956 wherever necessary and the register placed before the subsequent Board Meeting. Such details are furnished in notes on accounts. These are reported to the Audit Committee also.

There was no instance of non-compliance by the Company of any matter relating to the Capital markets during the last three years.

No penalty or strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority during the last 3 years.

The Company has laid down procedures about risk assessment and their minimization. These procedures are periodically reviewed in the Board.

10. Means of Communication

- a. Publication of Results: The quarterly/ half-yearly/ annual financial results of the Company are announced within the stipulated period and are normally published in the following English and Tamil newspapers published from Chennai city.

1. Financial Express

2. Makkal Kural

- b. **News, Release etc.**, : The Company has its own website www.dharanifinance.in and all vital information relating to the Company and its performance including financial results, press releases pertaining to important developments, performance updates and corporate presentations etc., are regularly posted on the website.
- c. The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” to allow paperless compliances by the Corporate sector. After introducing E-filing of various returns through the MCA portal, MCA by its Circular dated 21.04.2011 has now made permissible the service of documents through electronic mode to shareholders.
- d. As a responsible corporate citizen, the Company shall endeavor to support the Green Initiative of the Government, with the active support and co-operation of shareholders.



The Company has attached a separate format to its shareholders to send an email confirmation to its designated ID **secretarial@dharanifinance.in** mentioning the name, DP/Customer ID or Folio No. and the Email ID of the Shareholder for communication. On this confirmation,

- i. The Company would send all Notices, Annual Report and other communication to these shareholders through Email.
- ii. Copies of same would be available under the 'investor section' of our websites **www.dharanifinance.in**
- iii. Shareholders will at all times be entitled to receive free of cost, hard copy (paper version) of Annual Report and other communication on specific request.
- iv. Shareholders are further entitled to change the instructions from time to time.

The Company earnestly appeals to all its shareholders to support the Green Initiative of the Government by opting for electronic mode of receiving our corporate communications including the Annual Reports.

11. Management Discussion and Analysis

Part of the Directors' Report.

12. Insider Trading

The code of conduct for prevention of Insider Trading as suggested under the SEBI (Prohibition of Insider Trading) Regulations, 1992 introduced with effect from 25.11.2002. is in force. The Company Secretary has been designated as the Compliance Officer for this purpose. The Board monitors the adherence to the various requirements as set out in the code. No violation of the code has taken place during the year.

13. Non Mandatory Requirements

- a) Remuneration Committee has been constituted.
- b) The Board is of the opinion that the other requirements like Whistle Blower Policy, Training of Directors, and evaluation of Directors and their tenure, can be introduced as and when considered necessary.

**14. General Shareholders' information**

i. Time, Date and Venue of Annual General Meeting	20 th September 2012 at 10.00 a.m Mini Hall, Narada Gana Sabha New No. 314 TTK Road, Alwarpet, Chennai 600 018		
ii. Financial Year	April 2011 – March 2012		
iii. Date of Book Closure	10 th September 2012 to 20 th September 2012 (both days inclusive)		
iv. Listing on Stock Exchange	Bombay Stock Exchange.		
v. Stock Code	Bombay Stock Exchange – 511451		
vi. Market Price Data High/Low during each month of the Financial year	(in Rupees)		
	Months	High	Low
	April – 2011	6.60	5.67
	May – 2011	7.32	5.48
	June – 2011	7.24	5.80
	July – 2011	7.25	5.99
	August – 2011	7.92	6.85
	September – 2011	7.59	5.44
	October – 2011	5.23	4.33
	November – 2011	6.17	4.97
	December – 2011	7.20	5.59
	January – 2012	6.90	5.65
	February – 2012	6.39	5.00
	March – 2012	5.42	4.31

vii. Share Transfer System

The Company's shares are listed at Bombay Stock Exchange and M/s Cameo Corporate Services Limited, Chennai are the Share Transfer Agents. Share Transfers are effected once in 15 days.

Their address is:

M/s. Cameo Corporate Services Limited

Subramanian Building,
No.1 Club House Road
Chennai - 600 002.

Phone Nos. : 044 – 28460390/718

Fax No. : 044 – 28460129,

Email : cameo@cameoindia.com,
investor@cameoindia.com

**viii. a. Distribution of Shareholdings details as on 31st March 2012**

Shareholding of Nominal Value of Rs.	Shareholders		Shares in Amount	
	Number	%	In Rs.	%
Upto - 5000	16029	95.84	21571850	43.19
5001 - 10000	432	2.58	3454670	6.94
10001 - 20000	128	0.76	1831790	3.55
20001 - 30000	51	0.30	12599450	2.52
30001 - 40000	19	0.11	677490	1.36
40001 - 50000	11	0.06	5066990	1.01
50001 - 100000	18	0.11	1437900	2.86
100001 - and above	37	0.22	19204360	38.45
Total	16725	100.00	49944000	100.00

- b. There were no unclaimed shares from shares issued pursuant to the earlier public or any other issues and consequently no demat suspense account has been opened for keeping an account of such unclaimed shares.

IX. Transactions entered into by Non-Executive Directors.

There were no transactions between Non Executive Directors and the Company during this period.

X. Dematerialisation of Shares.

The Company's Equity Shares have already been dematerialised. The ISIN No. allotted is INE899D01011. Those desirous of converting their holdings into electronic form may do so by opening an account with a Depository Participant and sending a request for dematerialisation of their shares. Trading of equity shares in the stock exchanges will be done only in dematerialised form.

As on 31.03.2012, **2762259** Shares constituting 55.31% have been dematerialised.

	No. of Shares	% of Shares
National Securities Depository Limited	2440767	48.87
Central Depository Services (I) Ltd	321492	6.44
Total	2762259	55.31



XI. Nomination Facility

Individual shareholders can avail of the facility of nomination. The nominee shall be the person in whom all rights of transfer and / or amount payable in respect of the shares shall vest, in the event of the death of the shareholder. A minor also can be a nominee but the name of the guardian has to be given in the nomination form. In case, any assistance is needed, Share Department of the Company can be approached.

XII. The CEO and CFO has furnished the required Certificate to the Board of Directors, as provided in Para V of Clause 49.

Certificate under Para V of the Clause 49 of the Listing Agreement.

- a) We have reviewed financial statements and the cash flow statement for the year 2011-12 and that to the best of our knowledge and belief:

these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.



- d) We have indicated to the auditors and the Audit Committee significant changes in internal control over financial reporting during the year ; significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

//sd//

K Kandasamy
Managing Director

XIII. Affirmation of compliance with the Company's Code of Conduct – Clause 49 D (ii)

The CEO hereby declares that all the Board Members and Senior Management have affirmed Compliance with the code of Conduct laid down by the Board.

//sd//

K Kandasamy
Managing Director

XIV. Compliance Officer

Mr N Subramanian, Company Secretary and Sr.Vice President (Corporate Affairs) is the Compliance Officer under SEBI (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 and under Clause 47 of the Listing Agreement with Stock Exchanges. His email ID is – secretarial@dharanifinance.in



TO THE MEMBERS OF DHARANI FINANCE LIMITED

We have examined the compliance of conditions of corporate governance of Dharani Finance Limited, for the year ended 31st March 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievance(s) are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders / Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For K. RAMKRISH & CO.,
Chartered Accountants

K. RAMKRISHNAN
Partner
Membership # 20963

Place: Chennai
Date : 23.05.2012



Auditors' report to the members of Dharani Finance Limited

We have audited the attached Balance Sheet of Dharani Finance Limited (the Company) as at March 31, 2012, the Profit and Loss Account and Cash Flow Statement of the Company for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, we report that:

- (a) we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
- (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
- (c) the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (e) on the basis of written representations received from the directors, as on March 31, 2012, and taken on record by the Board of directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956;
- (f) in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012
- (ii) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For K. RAMKRISH & CO.,
Chartered Accountants
(Registration # 003017S)

K. RAMKRISHNAN
Partner
Membership # 20963

Place: Chennai
Date : 23.05.2012

Annexure to the auditors' report

The Annexure referred to in the auditors' report to the members of Dharani Finance Limited (the Company) for the year ended March 31, 2012. We report that:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

The Company has a phased programme of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with such programme, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.

During the year, the Company has not disposed off substantial part of its fixed assets, which will affect the going concern status of the Company.

2. The stock of finished goods, stores, spare parts and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.

The procedures for physical verification of stocks followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

The Company has maintained proper records of the inventory. The discrepancies noticed on verification between physical stocks and book records were not material and the same have been dealt with in the books of account

3. The Company has not taken any loans, secured or unsecured to or from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. The Company has granted unsecured loans amounting to **Rs.25 lakhs** to **one** Company covered in the register maintained under section 301 of the Companies Act, 1956 during the current financial year. The total amount of loan outstanding at the end of the year is Rs. NIL. According to the Information and explanations given to us, in our



- opinion the rate of interest and the terms and conditions on which unsecured loans have been granted to Companies and other parties listed in the register maintained under section 301 of the Companies Act, 1956, are not prima-facie prejudicial to the interest of the company.
5. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchase of inventory, fixed assets and for its business activities. We have not noted any continuing failure to correct major weakness in the internal controls during the course of the audit.
 6. In our opinion, and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuance of section 301 of the Act have been entered, and the transactions have been made at prices which are reasonable with regard to the prevailing market prices at the relevant time.
 7. The Company has not accepted any deposits from the public and consequently, the directives issued by the Reserve Bank of India, the provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder are not applicable.
 8. The Company has no separate internal audit system. However in our opinion the existing internal control procedures are sufficient, considering the size and nature of its business.
 9. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 in respect of services carried out by the Company.
 10. a) According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employee's state insurance, income-tax, sales-tax, customs duty, investor education and protection fund, wealth tax, Service tax and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed dues payable in respect of income-tax, sales tax, wealth tax, service tax, customs duty and cess were outstanding at 31st March 2012 for a period of more than six months from the date they became payable.

**b) Statement of Disputed Dues**

Name of the Statute	Nature of the Dues	Amount Rs. (lakhs)	Period to Which the Amount Relates	Forum where dispute is pending
— NIL —				

11. The Company's accumulated losses do not exceed fifty percent of its net worth. The company has not incurred cash losses in the financial year covered by our audit and in the immediately preceding financial year.
12. The Company has not defaulted in repayment of dues to Bank /financial institution in terms of clause 4(xi) of the order.
13. The Company is not a chit fund, nidhi, mutual benefit fund or a society. Accordingly, clause 4(xiii) of the order is not applicable.
14. According to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments. Accordingly, clause 4(xiv) of the order is not applicable.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions. Accordingly, clause 4(xv) of the order is not applicable.
16. The Company has not obtained any term loans. Accordingly, clause 4(xvi) of the order is not applicable.
17. In our opinion, the funds raised on short term basis have not been used for long term investment during the year.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. Accordingly, clause 4(xviii) of the order is not applicable.
19. The Company has not issued any debentures. Accordingly, clause 4(xix) of the order is not applicable.
20. The Company has not raised any money by public issues during the year. Accordingly, clause 4(xx) of the order is not applicable.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For K. RAMKRISH & CO.,
Chartered Accountants
(Registration # 003017S)

K. RAMKRISHNAN
Partner
Membership # 20963

Place : Chennai
Date : 23.05.2012



Balance Sheet as at 31st March, 2012

Particulars	Note No	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	49,972,000	49,972,000
(b) Reserves and Surplus	4	14,311,831	13,893,637
(c) Money received against share warrants		-	-
(d) Foreign currency Translation Reserve		-	-
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities	5	244,600	191,150
(d) Long term provisions	6	977,200	1,366,392
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	7	1,668,001	-
(c) Other current liabilities	7A	2,598,243	2,233,329
(d) Short-term provisions	6	4,408,164	3,104,086
Total		74,180,039	70,760,594
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	7,199,195	5,960,182
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	23,503,537	27,820,088
(c) Deferred tax assets (net)	2(v)	1,863,642	1,560,941
(d) Long term loans and advances	10	7,444,724	338,493
(e) Trade receivables	12	1,758,793	4,025,576
(f) Cash and cash equivalents	13	2,822,854	2,651,627
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	11	2,387,519	-
(c) Trade receivables	12	12,099,305	15,407,340
(d) Cash and cash equivalents	13	14,864,204	12,568,412
(e) Short-term loans and advances	10	148,582	27,300
(f) Other current assets	14	87,682	400,635
Total		74,180,039	70,760,594

See accompanying notes to the financial statements.

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The notes form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

For K RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

K RAMKRISHNAN

Partner

Membership No. 20963

Place : Chennai - 34

Date : 23.05.2012

On behalf of the Board of Directors

N.SUBRAMANIAN

Company Secretary

K KANDASAMY

Managing Director

DR PALANI G PERIASAMY

Chairman

**Statement of Profit and Loss for the year ended 31st March, 2012**

Particulars	Note No	For the year ended 31.03.2012 (Rs)	For the year ended 31.03.2011 (Rs)
REVENUE			
I. Revenue from operations			
- Financial services	15	977,774	1,496,083
- Travels	15	30,625,748	23,183,296
- Interest Income	15	680,380	963,341
II. Other Income	15A	2,848,239	3,731,620
III. Total Revenue (I +II)		35,132,141	29,374,340
EXPENSES			
Employee benefit expense	16	6,855,835	6,232,752
Finance costs	17	80,807	292,493
Depreciation expense	8	5,574,936	4,494,654
Other expenses	18	16,009,560	12,742,923
IV. Total Expenses		28,521,138	23,762,822
V. Profit before exceptional and extraordinary items and tax (III - IV)		6,611,003	5,611,518
VI. Exceptional Items		-	-
VII. Profit before extraordinary items and tax (V - VI)		6,611,003	5,611,518
VIII. Extraordinary Items		-	-
IX. Profit before tax (VII - VIII)		6,611,003	5,611,518
X. Tax expense of continuing operations:			
(1) Current tax (including wealth tax)		2,430,000	1,900,000
(2) Deferred tax		(302,701)	(487,497)
		2,127,299	1,412,503
XI. Profit/(Loss) for the period from continuing operations (IX - X)		4,483,704	4,199,015
XII. Profit/(Loss) from discontinuing operations			
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations after tax (XII-XIII)		-	-
XV. Profit/(Loss) for the period (Profit After Tax) (XI + XIV)		4,483,704	4,199,015
XVI. Earning per equity share			
(1) Basic		0.90	0.84
(2) Diluted		0.90	0.84

See accompanying notes to the financial statements.

The notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For K RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

K RAMKRISHNAN

Partner

Membership No. 20963

Place : Chennai – 34

Date : 23.05.2012

On behalf of the Board of Directors

N.SUBRAMANIAN

Company Secretary

K KANDASAMY

Managing Director

DR PALANI G PERIASAMY

Chairman



NOTES ON ACCOUNTS

1. Background of the company

The company is a registered public limited company engaged in the business of NBFC activities and registered as a NBFC with Reserve Bank of India. In addition the company is also engaged in providing Travel and Tourism services.

2. Significant Accounting Policies

I. INCOME RECOGNITION:

- (a) Income from hire purchase contracts is reckoned on a progressive basis (diminishing return method) over the period of the contract on time basis.
- (b) Lease Rental Income is recognized on the basis of implicit rate of return as per the Guidance Note on Accounting for Leases issued by the ICAI.
Income from sale of leased assets, after completion of the lease period, is recognized on Cash basis.
- (c) Interest accrued on Investments and Deposits are accounted for on accrual basis.
- (d) Delayed payment charges are accounted on receipt basis.

II. FIXED ASSETS:

- (a) Fixed Assets are stated at cost.
- (b) Fixed Assets are depreciated on straight-line method in accordance with Schedule XIV of the Companies Act, 1956.
Depreciation has been charged proportionately for the period the Assets had been in use.
The cost of all the leased assets are amortized fully during lease period and lease equalization charge is accordingly provided.

III. INVESTMENTS:

Investments are classified as long term investments and are stated at cost. However provision has been made for diminution, wherever the decline in the value is other than temporary, in accordance with Accounting Standard 13.

IV. RETIREMENT BENEFITS:

The Company's Liability towards Gratuity to the employees is provided on the basis of an actuarial valuation at the year end.

**V. TAXATION**

- a) Provision for Income tax for the Current year is made for the amount of tax payable in respect of taxable income for the year under Income Tax Act, 1961.
- b) Deferred Tax is recognized on timing differences being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods, subject to consideration of prudence.

The Status and Break up as of 31.03.2012 is given below

(Rs.in Lakhs)

DESCRIPTION	ASSET	LIABILITY
Timing Difference in Depreciable Asset	15.61	
Timing difference in Provision against NPA	3.03	
Total	18.64	—
Net Deferred Tax Asset	18.64	

VI. SEGMENT REPORT

The Company has adopted Accounting Standard 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India, which requires disclosure of financial and descriptive information about the Company's reportable operating segments. The operating segments reported below are the segments of the Company for which separate financial information is available.

**Business Segment****SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2012**
INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

(Rs. in Lakhs)

PARTICULARS	FINANCIAL SERVICES	TRAVEL OPERATIONS	UNALLOCATED	TOTAL
REVENUE				
Financial Charges	16.56			16.56
Travel Operation		306.28		306.28
Other Income			28.48	28.48
Total Revenue			-	351.32
RESULT				
Segment Result	(8.30)	74.41	-	66.11
Unallocated Corporate Expenses	-	-	-	-
Operating Profit	-	-	-	66.11
Interest Expenses	-	-	-	-
Interest Income	-	-	-	-
Income Taxes	-	-	-	21.27
Profit from Ordinary Activities	-	-	-	44.84
Extra Ordinary items	-	-	-	-
NET PROFIT	-	-	-	44.84
OTHER INFORMATION				
Segment Assets	499.67	292.64	-	792.31
Unallocated Corporate assets	18.29	-	-	18.29
Total assets	517.96	292.64	-	810.60
Segment Liabilities	20.15	88.47	-	108.62
Unallocated Corporate liabilities	37.12	-	-	37.12
Total liabilities	57.27	88.47	-	145.74
Capital Expenditure	-	-	-	-
Depreciation	1.08	54.67	-	55.75
Non-cash expenses other than depreciation	-	-	-	-



Notes to the Financial Statements for the year ended 31st March 2012

3. SHARE CAPITAL

Authorised, Issued, Subscribed and paid up share capital & par value per share

Particulars	31.03.2012 (Rs.)	31.03.2011 (Rs.)
Authorised share capital 50,00,000 Equity shares of Rs. 10/- each	50,000,000	50,000,000
	50,000,000	50,000,000
Issued & Subscribed Share Capital 49.94.400 Equity shares of Rs.10/- each	49,944,000	49,944,000
	49,944,000	49,944,000
Paid-up Share Capital 49.94.400 Equity shares of Rs.10/- each	49,944,000	49,944,000
Less: Calls unpaid by directors and other officers	-	-
Add: Equity shares forfeited (paid up)	28,000	28,000
Total	49,972,000	49,972,000

a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period

Equity shares	31 March 2012		31 March 2011	
	No.	Amount	No.	Amount
At the beginning of the period	4,994,400	49,944,000	4,994,400	49,944,000
Issued during the period	Nil	Nil	Nil	Nil
Outstanding at the end of the period	4,994,400	49,944,000	4,994,400	49,944,000

b) Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees.

During the year ended 31 March 2012, the amount of dividend recognized as distributions to equity shareholders was Rs.34,98,040/- (31 March 2011: Rs. 24,98,600/-).

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts.

c) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2012		As at 31 March, 2011	
	Number of shares		Number of shares	
Equity shares with voting rights	held	% of holding in that class of shares	held	% of holding in that class of shares
Dr. Palani G Periasamy	353112	7.07	353112	7.07



Notes to the Financial Statements for the year ended 31st March 2012

4. RESERVES AND SURPLUS

Particulars	As at 31 March 2012 (Rs.)	As at 31 March 2011 (Rs.)
Securities Premium Account	-	-
Statutory Reserve		
Balance as per the last financial statements	8,573,984	7,734,381
Add: amount transferred from surplus balance in the statement of profit and loss	896,741	839,603
Closing Balance	9,470,725	8,573,984
Surplus/(deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	5,319,653	4,874,858
Profit/(loss) for the year	4,483,704	4,198,015
Less: Appropriations		
Proposed final equity dividend (amount per share Re.0.70 (31 March 2011: Re. 0.50))	3,498,040	2,498,600
Tax on proposed equity dividend	567,470	415,017
Transfer to general reserve	-	-
Provision for Standard Assets	-	-
Transfer to statutory reserve	896,741	839,603
Total appropriations	4,962,251	3,753,220
Net surplus/(deficit) in the statement of profit and (loss)	4,841,106	5,319,653
Total reserves and surplus	14,311,831	13,893,637


Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non Current		Current	
	31 March 2012 (Rs.)	31 March 2011 (Rs.)	31 March 2012 (Rs.)	31 March 2011 (Rs.)
5. OTHER LONG TERM LIABILITIES				
Trade payables	-	-	-	-
Others	244,600	191,150	-	-
Total	244,600	191,150	-	-
6. PROVISIONS				
Provision for employee benefits	947,381	1,366,392	338,151	-
Provision for dividends (including dividend distribution tax)	-	-	4,065,510	2,913,617
Provision for income tax (Net of Advance tax of Rs.24,25,497) (As at 31st March 2011 - Rs. 17,09,531)	-	-	4,503	190,469
Contingent Provision against Standard Assets	29,819	-	-	-
	977,200	1,366,392	4,408,164	3,104,086
7. TRADE PAYABLES				
			31 March 2012 (Rs.)	31 March 2011 (Rs.)
Trade payables			1,668,001	-
7A. OTHER CURRENT LIABILITIES				
Unpaid / unclaimed dividends			1,500,505	981,733
Service tax payable			133,074	5,449
TDS Payable			24,688	18,775
PF/ ESI Payable			81,219	99,876
Leave Encashment payable			239,783	350,645
Expenses payable			618,974	776,851
Total			2,598,243	2,233,329



Notes to the Financial Statements for the year ended 31st March 2012

8. FIXED ASSETS - TANGIBLE

(in rupees)

S.NO	DESCRIPTION	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			ACCUMULATED IMPAIRMENT			NET CARRYING AMOUNT		
		AS ON 31/3/2011 (1)	ADDITIONS (2)	DELETIONS (3)	AS ON 31/3/2012 (4)	AS ON 31/3/2011 (5)	FOR THE YEAR (6)	WITH DRAWN (7)	AS ON 31/3/2012 (8)	AS ON 31/3/2011 (9)	FOR THE YEAR (11)	AS ON 31/3/2012 (12)	AS ON 31/3/2011 (13) = (1)-(9)-(9)
1	Land Owned Leased	-	-	-	-	-	-	-	-	-	-	-	-
2	Buildings Owned Leased	-	-	-	-	-	-	-	-	-	-	-	-
3	Plant & Equipment Owned Leased	36,192,521	-	-	36,192,521	11,047,874	-	11,047,874	25,144,647	-	25,144,647	-	-
4	Furnitures & Fixtures Owned Leased	2,862,890	-	-	2,862,890	2,862,890	-	2,862,890	-	-	-	-	-
5	Vehicles Owned Leased	29,589,732	6,813,949	657,460	35,746,221	23,915,921	657,460	2,8726,773	5,672,811	-	7,019,448	-	-
6	Office Equipments Owned Leased	2,949,286	-	-	2,949,286	2,161,915	107,624	2,169,539	287,371	-	179,747	-	-
	TOTAL	70,994,429	6,813,949	657,460	77,150,918	39,889,600	5,574,936	44,807,076	25,144,647	-	25,144,647	5,960,182	7,199,195



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non current	
	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
9. NON CURRENT INVESTMENTS		
(A) Investments at cost - Trade - Quoted		
Investment in equity instruments		
(i) of associates		
Dharani Sugars & Chemicals Ltd. 248039 Shares @ Rs.31.96 (Market Value Rs.6292803.75)	7,925,845	7,925,845
(ii) of other entities		
South Indian Bank Ltd. 17120 Shares @ Rs.52.80 (Market Value Rs.422864/-)	90,394	90,394
Maruti Industrial Carbo Hydrates 600 Shares @ Rs.10/- each (Market Value Rs.NIL)	6,000	6,000
Indbank Merchant Bank Services Ltd. 5000 Shares @ Rs.43.50 (Market Value Rs. 32500/-)	217,500	217,500
Sri Nachammai Cotton Mills Ltd. 700 Shares @ Rs.70/- each (Market Value Rs.17010/-)	49,000	49,000
Central Bank of India Ltd. 686 Shares @ Rs.102/- each (Market Value Rs. 133323.70)	69,972	69,972
Central Bank of India Ltd. 636 Shares @ Rs.103/- each (Market Value Rs. 133323.70)	65,508	-
Harig crank shafts Ltd. 5000 Shares @ Rs.4.36 each (Market Value Rs. 4000/-)	21,808	21,808
Bank of India 1000 Shares @ Rs.434.39 each (Market Value Rs. 362650/-)	434,390	434,390



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non current	
	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)
Canara Bank 700 Shares @ Rs.228.01 each (Market Value Rs. 333060/-)	159,606	159,606
Corporation Bank 500 Shares @ Rs.286.99 each (Market Value Rs. 212400/-)	143,497	143,497
HDFC Bank 21845 Shares @ Rs.317.055 each (Market Value Rs. 11356123.25)	6,926,087	5,339,804
HDFC Ltd 355 Shares @ Rs.516.92 each (Market Value Rs. 237601.50)	254,745	1,213,959
IDFC 7000 Shares @ Rs.181.88 each (Market Value Rs.945000/-)	1,273,125	1,273,125
LARSEN & TUBRO 2050 Shares @ Rs.1,429.65 each (Market Value Rs. 2683450/-)	2,630,717	3,216,715
RELIANCE INDUSTRIES 3124 Shares @ Rs.1,139.91 each (Market Value Rs. 2344874.70)	3,561,083	3,561,083
STATE BANK OF INDIA 200 Shares @ Rs.1517.38 each (Market Value Rs. 419270/-)	340,321	1,213,897
ICICI Bank 0 Shares @ Rs.0 each (Market Value Rs.0/-)	-	817,447
TATAMOTORS 232 Shares @ Rs.1112.78 each (Market Value Rs 319290/-)	258,166	258,166
SATYAM COMPUTERS 5000 Shares @ Rs.80.07 each (Market Value Rs.401000/-)	400,373	-
Total	24,828,136	26,012,208



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non current			
	As at 31.03.2012 (Rs.)	As at 31.03.2011 (Rs.)		
INVESTMENT IN MUTUAL FUNDS				
LIC Mutual Fund top 100 fund 2,00,000 Units @ Rs.10 each (Market Value Rs.16,63,160)	2,000,000	2,000,000		
UTI Infra structure fund - Growth Plan 25,462,687 Units @ Rs.33.50 each (Market Value Rs.8,39,250)	853,000	853,000		
	2,853,000	2,853,000		
Total - Trade (A)	27,681,136	28,865,208		
(B) Other Investments	-	-		
Total - Other Investments (B)	-	-		
Total Investments (A + B)	27,681,136	28,865,208		
Less aggregate Provision for diminution in value of Investments	4,177,598	1,045,120		
Total	23,503,537	27,820,088		
Aggregate amount of quoted investments	27,675,136	28,859,208		
Aggregate market value of listed and quoted investments	28,701,830	37,209,993		
Aggregate value of listed but not quoted investments	6,000	6,000		
Aggregate amount of unquoted investments	-	-		
10. LOANS & ADVANCES	Non current	Current		
	31 March 2012 (Rs.)	31 March 2011 (Rs.)	31 March 2012 (Rs.)	31 March 2011 (Rs.)
(A) Capital advances				
Secured, Considered good				
Unsecured, Considered good Doubtful	955,750	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (A)	955,750	-	-	-
(B) Security Deposits				
Secured, Considered good				
Unsecured, Considered good Doubtful	203,606	203,606	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (B)	203,606	203,606	-	-
(C) Loans & advances to related parties				
Secured, Considered good	-	-	-	-
Unsecured, Considered good Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (C)	-	-	-	-



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non Current		Current	
	31 March 2012 (Rs.)	31 March 2011 (Rs.)	31 March 2012 (Rs.)	31 March 2011 (Rs.)
(D) Loans and advances to employees				
Secured, considered good	13,600	-	30,100	27,300
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Provision for doubtful loans and advances	-	-	-	-
	13,600	-	30,100	27,300
(E) Prepaid expenses - Unsecured, considered good	-	-	-	-
(F) Advance income tax # (net of provisions ' (As at 31st March 2011 Rs.1,34,887)	-	-	-	-
Unsecured, considered good	(55,582)	134,887	-	-
(G) MAT credit entitlement #				
Unsecured, considered good	-	-	-	-
(H) Balances with government authorities				
Unsecured, considered good				
(i) CENVAT credit receivable	-	-	-	-
(ii) VAT credit receivable	-	-	118,482	-
(iii) Service Tax credit receivable	-	-	-	-
	-	-	118,482	-
(I) Other loans and advances - Vehicles				
Secured, considered good	-	-	-	-
Unsecured, considered good	6,327,350	-	-	-
Doubtful	216,797	216,797	-	-
Less: Provision for other doubtful loans and advances	(216,797)	(216,797)	-	-
	6,327,350	-	-	-
Total (A+B+C+D+E+F+G+H+I)	7,444,724	338,493	148,582	27,300
11. INVENTORIES				
Stock in trade - Traded goods	-	-	-	-
Valued at lower of Cost and Net Realisable Value	-	-	2,387,519	-
Total	-	-	2,387,519	-
12. TRADE RECEIVABLES				
(A) Trade receivables outstanding for more than six months from the date they became due for payment				
Secured, Considered good	-	-	2,377,208	727,453
Unsecured, Considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (A)	-	-	2,377,208	727,453



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	Non Current		Current	
	31 March 2012 (Rs.)	31 March 2011 (Rs.)	31 March 2012 (Rs.)	31 March 2011 (Rs.)
(B) Trade receivables (others)				
Secured, Considered good	-	-	6,454,972	11,804,547
Unsecured, Considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (B)	-	-	6,454,972	11,804,547
(C) Stock on Hire				
Secured, Considered good	1,758,793	4,025,576	3,267,125	2,875,340
Unsecured, Considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (C)	1,758,793	4,025,576	3,267,125	2,875,340
Total (A+B+C)	1,758,793	4,025,576	12,099,305	15,407,340
13. CASH AND CASH EQUIVALENTS				
(A) Balances with banks				
(i) Earmarked Bank Balances (Unpaid dividend)	-	-	1,505,505	986,733
(ii) Bank balances held as margin money or as security deposit	-	-	-	-
(iii) Other bank balances	-	-	6,294,696	1,391,729
(B) Deposit with original maturity for >12 months	2,822,854	2,651,627	6,500,000	9,659,576
(C) Cash on hand	-	-	564,004	530,374
(D) Others	-	-	-	-
Total (A+B+C+D)	2,822,854	2,651,627	14,864,204	12,568,412
14. OTHER CURRENT ASSETS				
Interest accrued on Deposits	-	-	47,588	-
Advance for Capital Purchase	-	-	-	-
Other Advance	-	-	40,094	400,635
Total	-	-	87,682	400,635



Notes to the Financial Statements for the year ended 31st March 2012

Particulars	For the year ended 31.03.2012 (Rs)	For the year ended 31.03.2011 (Rs)
15. REVENUE FROM OPERATIONS		
(A) Income from Financial Services	977,774	1,496,083
(B) Income from Travel Operation	30,625,748	23,183,296
(C) Interest Income	680,380	963,341
Total (A+B+C)	32,283,902	25,642,720
15A. OTHER INCOME		
Dividend from Long Term Investments	252,819	587,207
Net gain on Sale of Investments	2,595,420	3,144,413
	2,848,239	3,731,620
16. EMPLOYEE BENEFITS EXPENSES		
Salaries & Allowances	6,085,122	4,771,438
Contribution to PF, ESI & Other Funds	375,127	1,145,322
Staff Welfare Expenses	395,586	315,992
Total	6,855,835	6,232,752
17. FINANCE COSTS		
Bank Charges	80,807	292,493
Other borrowing costs	-	-
Total	80,807	292,493
18. OTHER EXPENSES		
Rent	439,548	456,222
Insurance	309,814	396,331
Rates & Taxes other than taxes on income	10,309	663,603
Postage & Telephone	295,907	289935
Payment to Auditors		
- as auditors	66,180	66,180
- for tax audit	-	44,120
Legal professional & consultancy charges	137,526	274,078
Advertisement, publicity and sales promotion	380,906	419,960
Adjustment to carrying amount of investments	3,132,478	92,230
Contingent provision against Standard Assets	29,819	-
Directors' remuneration including sitting fees	1,481,063	1,998,512
Vehicle Maintenance	869,205	723,856
Miscellaneous expenses	1,033,953	803,188
Total	16,009,560	12,742,923

**19. NOTES ON ACCOUNTS**

19.1 Stock on hire is stated at agreement values less amounts received. Stock on hand (traded goods) are valued at lower of cost and market value.

In respect of certain vehicles financed under Hire Purchase Scheme, ownership has not been transferred in the name of hirers.

19.2 Rates & Taxes includes a sum of Rs.NIL being taxes paid in respect of earlier years (Rs.6.64 Lakhs).

19.3 Expenditure on Employees **2011-2012** 2010-2011

(a) Number of employees employed throughout of the period and were in receipt of remuneration of more than Rs.60,00,000/-p.a. **NIL** NIL

(b) Number of employees employed for part of the period and were in receipt of remuneration of more than Rs, 5,00,000/-p.m **NIL** NIL

19.4(a) Expenditure in Foreign currency **NIL** Rs. 1,359/-

(b) Earnings in Foreign Exchange **NIL** NIL

19.5 Previous year's figures have been regrouped, recast and reclassified wherever necessary.

19.6 The Company has followed Prudential Norms for Income Recognition and Provisioning for Bad & Doubtful Assets as prescribed by the Reserve Bank of India for Non Banking Financial Companies during the year.

19.7 Managerial Remuneration **2011-2012** 2010-2011
Rs. **Rs.**

Managing Director

Salary **10,20,000** 10,20,000

Rent **90,000** 90,000

Leave/Travel Allowance - -

Perquisites - -

Contribution to PF **1,22,400** 1,22,400

Gratuity **10,667** 5,28,116

Superannuation **1,53,000** 1,53,000

Medical Reimbursements **84,996** 84,996

14,81,063

19,98,512



NOTES ON ACCOUNTS (Contd...)

19.8 Related Party disclosures**(a) Name of Related Parties**

Associate Companies

M/s. Dharani Sugars & Chemicals Ltd
M/s. Appu Hotels Ltd.
M/s. PGP Educational & Welfare Society
Dharani Credit & Finance (P) Ltd
PGP Hotels & Resorts India Private Ltd

Key Management Personnel

Dr.Palani G Periasamy – Chairman
Mrs. Visalakshi Periasamy – Director
Mr.K Kandasamy – Managing Director

(b) Aggregated Related Party transactions during 2011-12

Value in Lakhs

	Associate Companies	Key Management Personnel
Remuneration paid to	-	14.81
Rent for Premises paid to	0.60	3.80
Sitting Fees Paid to	-	0.36
Interest received on ICD	0.21	-
Services rendered to (air ticket Sales & car rentals)	355.85	-
Loans given	25.00	-
Outstanding as on 31.03.2012 against services rendered during the year.	87.96	-

19.9 Other Income (Income – Finance Operations) includes Rs. 66,568/- (previous year Rs.3,901/-) representing increase in the rupee value of foreign currency held, in the status of Money Changer.

19.10 Lease Terminal adjustment account has been shown as a deduction from net block of Fixed assets as per the guidance note of ICAI.

**NOTES ON ACCOUNTS (Contd...)**

19.11 Disclosure as per AS – 15 (Revised) 'Employee benefits' for the year ended 31.03.2012

Description of Benefits Plan	Unfunded Gratuity
Present value of projected benefit obligations	12,80,532/-
A) <u>Actuarial assumptions</u>	31.03.2012
Discount Rate	8%
Salary Escalation Rate	6%
Attrition Rate	24%

The present value of obligation towards compensated absences, as per actuarial certificate, as on 31.03.2012 was Rs. 2,39,783/- and is provided for in the books of accounts.

19.12 Provision for Non- performing Assets as detailed below has been made as per RBI norms, and has been shown separately in the Balance Sheet.

Particulars	(Rs. in Lakhs)	
	2011-12	2010-11
Loans & Advances	2.17	2.17
Total	2.17	2.17

19.13 Earnings Per Share:	2011-12	2010-11
a) Net Profit/(Loss) as per Profit & Loss Account (Rs.in Lakhs)	44.84	41.99
b) No. of Equity Shares	4,994,400	4,994,400
c) Nominal Value per Share	10.00	10.00
d) Earnings per Share (in Rupees)	0.90	0.84

19.14 Dues to Small- Scale Industrial undertakings

The company has no outstanding dues to small-scale industrial undertakings as on 31st March 2012 and 31st March 2011.

20. The Financial Statements for the year ended March 31, 2011 were prepared as per the then applicable, pre revised Schedule - VI to the Companies Act, 1956. The Financial Statements for the year ended March 31, 2012 have been prepared as per the revised Schedule - VI. Accordingly, the previous year's figures have been reclassified to conform to current year's classification.

Signatories to Notes 1 to 19

For K RAMKRISH & CO.,
Chartered Accountants
(Firm Regn # 003017S)

On behalf of the Board of Directors

K RAMKRISHNAN
Partner

N.SUBRAMANIAN
Company Secretary

K KANDASAMY
Managing Director

DR PALANI G PERIASAMY
Chairman

Membership No. 20963
Place : Chennai – 34
Date : 23.05.2012



Schedule to the Balance Sheet for the year ended 31st March 2012 as required in terms of paragraph 13 of Non-Banking Financial Non Deposit accepting or holding Companies Prudential Norms (Reserve Bank of India) Directions, 2007.

SL. No	Particulars	(Rs. in Lakhs)	
		Amount Outstanding	Amount Overdue
1	LIABILITIES SIDE		
	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	Nil	Nil
	: Unsecured	Nil	Nil
	(other than falling within the meaning of public deposits *)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	Nil	Nil
(d) Inter-Corporate loans and borrowing	Nil	Nil	
(e) Commercial Paper	Nil	Nil	
(f) Other Loans (Specify nature)	Nil	Nil	
2	ASSETS SIDE	Amount Outstanding	
	Break-up of Loans and Advances including bills receivables (other than those included in (4) below):		
(a) Secured		Nil	
(b) Unsecured		165.82	



Sl. No.	Particulars	(Rs. In Lakhs)		
	Long Term Investments			
	1. Quoted :			
	(i) Shares :			
	(a) Equity		248.20	
	(b) Preference		Nil	
	(ii) Debentures and Bonds		Nil	
	(ii) Units of Mutual funds		28.53	
	(iii) Government Securities		Nil	
	(iv) Others (Please specify)		Nil	
	2. Unquoted :			
	(i) Shares :			
	(a) Equity		0.05	
	(b) Preference		Nil	
	(i) Debentures and Bonds		Nil	
	(ii) Units of Mutual Funds		Nil	
	(iii) Government Securities		Nil	
	(iv) Others (please specify)		Nil	
5.	Borrower group-wise classification of all assets, Financed as in (2) and (3) above			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	Nil	Nil	Nil
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	Nil	Nil
	2. Other than related parties	52.43	163.65	216.08
	Total	52.43	163.65	216.08



Sl. No.	Category	Market Value / Break up or fair Value or NAV	Book value (Net of Provisions)
		(Rs. In Lakhs)	
6.	Investor group-wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted)		
	1. Related Parties		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	62.93	79.26
	2. Other than related parties	224.09	197.55
	Total	287.02	276.81

Sl. No.	Particulars	Amount (Rs. In Lakhs)
7.	Other Information	
	(i) Gross Non – Performing Assets	
	(a) Related Parties	Nil
	(b) Other than related parties	2.17
	(ii) Net Non-performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	Nil
	(iii) Assets acquired in satisfaction of debt	Nil



Cash Flow Statement for the year ended 31 March, 2012

Particulars	For the year ended 31 March, 2012 (Rs. in Lakhs)		For the year ended 31 March, 2011 (Rs. in Lakhs)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		66.11		56.11
<i>Adjustments for:</i>				
Depreciation and amortisation		55.75		44.95
Provision for impairment of fixed assets and intangibles				
Amortisation of share issue expenses and discount on shares				
(Profit) / loss on sale / write off of assets		(0.95)		
Expense on employee stock option scheme				
Finance costs		0.81		2.92
Interest income				
Dividend income				
Net (gain) / loss on sale of investments		(25.95)		(29.97)
Rental income from investment properties				
Rental income from operating leases				
Share of profit from partnership firms				
Share of profit from AOPs				
Share of profit from LLPs				
Liabilities / provisions no longer required written back				
Adjustments to the carrying amount of investments		31.32		0.92
Provision for losses of subsidiary companies				
Provision for doubtful trade and other receivables, loans and advances				
Provision for estimated loss on derivatives				
Provision for warranty				
Provision for estimated losses on onerous contracts				
Provision for contingencies				
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss		60.98		18.82
Operating profit / (loss) before working capital changes		127.09		74.92



Cash Flow Statement for the year ended 31 March, 2012 (Contd...)

Particulars	For the year ended 31 March, 2012 (Rs. in Lakhs)		For the year ended 31 March, 2011 (Rs. in Lakhs)	
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Inventories	(23.88)		31.04	
Trade receivables	55.75		(71.09)	
Short-term loans and advances				
Long-term loans and advances	(87.69)		42.76	
Other current assets	(7.61)	(63.43)	(3.99)	(1.28)
Other non-current assets				
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Trade payables	16.68		14.73	
Other current liabilities	3.65		0.33	
Other long-term liabilities	0.53			
Short-term provisions	(0.81)		(51.19)	
Long-term provisions		20.05		(36.14)
		83.71		37.51
Cash flow from extraordinary items				
Cash generated from operations		83.71		37.51
Net income tax (paid) / refunds				
Net cash flow from / (used in) operating activities (A)		83.71		37.51



Cash Flow Statement for the year ended 31 March, 2012 (Contd...)

Particulars	For the year ended 31 March, 2012 (Rs. in Lakhs)		For the year ended 31 March, 2011 (Rs. in Lakhs)	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(68.14)		(45.39)	
Proceeds from sale of fixed assets	0.95		-	
Inter-corporate deposits (net)				
Bank balances not considered as Cash and cash equivalents				
- Placed				
- Matured				
Current investments not considered as Cash and cash equivalents				
- Purchased				
- Proceeds from sale				
Purchase of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others	(37.55)		(24.16)	
Proceeds from sale of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others	75.35		70.72	
Loans given				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				

**Cash Flow Statement for the year ended 31 March, 2012 (Contd...)**

Particulars	For the year ended 31 March, 2012 (Rs. in Lakhs)		For the year ended 31 March, 2011 (Rs. in Lakhs)	
Loans realised				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Dividend received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Rental income from investment properties				
Rental income from operating leases				
Amounts received from partnership firms				
Amounts received from AOPs				
Amounts received from LLPs				
		(29.39)		1.17
Cash flow from extraordinary items		-		-
		(29.39)		1.17
Net income tax (paid)/refunds		-		-
Net cash flow from/(used in) investing activities (B)		(29.39)		1.17



Cash Flow Statement for the year ended 31 March, 2012 (Contd...)

Particulars	For the year ended 31 March, 2012 (Rs. in Lakhs)		For the year ended 31 March, 2011 (Rs. in Lakhs)	
C. Cash flow from financing activities				
Proceeds from issue of equity shares				
Proceeds from issue of preference shares				
Redemption / buy back of preference / equity shares				
Proceeds from issue of share warrants				
Share application money received / (refunded)				
Proceeds from long-term borrowings				
Repayment of long-term borrowings				
Net increase / (decrease) in working capital borrowings				
Proceeds from other short-term borrowings				
Repayment of other short-term borrowings				
Finance cost	(0.81)		(2.92)	
Dividends paid	(24.99)		(24.99)	
Tax on dividend	(4.15)		(4.15)	
		(29.94)		(32.06)
Cash flow from extraordinary items		-		-
Net cash flow from / (used in) financing activities (C)		(29.94)		(32.06)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		24.37		6.61
Cash and cash equivalents at the beginning of the year		152.20		145.59
Cash and cash equivalents at the end of the year		176.57		152.20
Reconciliation of Cash and Cash equivalents with the Balance Sheet		176.57		152.20



Cash Flow Statement for the year ended 31 March, 2012 (Contd...)

Notes:

- (i) The Cash Flow Statement reflects the combined cash flows pertaining to continuing and discounting operations.
- (ii) These earmarked account balances with banks can be utilised only for the specific identified purposes.

In terms of our report attached.

On behalf of the Board of Directors

For K RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

K RAMKRISHNAN

Partner

N.SUBRAMANIAN

Company Secretary

K KANDASAMY

Managing Director

DR PALANI G PERIASAMY

Chairman

Membership No. 20963

Place : Chennai – 34

Date : 23.05.2012

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of **M/s. DHARANI FINANCE LIMITED** for the year ended 31st March 2012. The Statement has been prepared by the Company in accordance with the listing requirements of the Stock Exchange and is based on and derived from the audited accounts of the company for the year ended 31st March 2012.

For K. RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

K. RAMKRISHNAN

Partner

Membership # 20963

Place: Chennai - 34

Date : 23.05.2012



DHARANI FINANCE LIMITED

ECS MANDATE FORM FOR PAYMENT OF DIVIDEND ON EQUITY SHARES

(In case of physical shares - send to our Shares Transfer Agent

In case of demat shares - send to your Depository Participant)

1. First Shareholder's Name (in Block Letters) :
2. Address :
3. Regd. Folio No. (If not Dematerialised)
DPIDNo. :
- Client ID No. (If Dematerialised) :
4. Particulars of Bank Account :
- A. Bank Name :
- B. Branch Name & City (Pin Code) :
- C. Account No. (as appearing on the Cheque Book) :
- D. Account Type (Please tick) : SB Current Cash Credit
- E. Ledger Folio No. of the Bank A/c.
- F. 9 Digit code No. of the Bank & Branch appearing on the MICR cheque issued by bank :
5. Please attach a photocopy of a cheque leaf or a blank cancelled cheque issued by your Bank relating to your above account for verifying the accuracy of the code numbers.

DECLARATION

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I would not hold Dharani Finance Limited, responsible. In case of ECS facility not being available for any reason, the account details provided above may be incorporated in the payment instrument.

Place :

Date :

Signature of the first shareholder

Certified that the particulars furnished above are correct as per our records.

Place :

Date :

Authorised Signatory

- Note** :
1. Kindly fill all columns. Incomplete forms shall not be entertained.
 2. Please ignore this form if the same is already submitted.
 3. In lieu of the Bank Certificate to be obtained, shareholders can attach a blank 'cancelled' cheque or a photocopy thereof.





DHARANI FINANCE LIMITED

Regd.Office : "PGP House" No.57 Sterling Road, Nungambakkam, Chennai 600 034.

EMAIL ADDRESS REGISTRATION FORM (EARF)

Name & Address of the Member _____

Folio No. : _____

DP ID : _____

Client ID : _____

Email ID : _____

I hereby confirm that I am a member of the Company and the above details furnished by me for registration of my email address to receive the copy of annual report comprising of Notice, Director's Report, Auditor's Report, Balance Sheet, Profit & Loss account etc., **through electronic mode** from the Company are correct. I further confirm that I will intimate the Company/RTA from time to time if there is any change in my above Email ID.

Signature of the Shareholder

Place :

Date :

Name of the Shareholder





DHARANI FINANCE LIMITED

Regd. Office : "PGP House" No.57, Sterling Road, Nungambakkam, Chennai – 600 034.

ADMISSION SLIP

To be handed over at entrance of Meeting Hall

Folio No. : _____

Shares : _____

ID No. : _____

I hereby record my presence at the
Twenty Second Annual General Meeting

Venue: **Mini Hall**, Narada Gana Sabha
No 314, TTK Road
Alwarpet
Chennai - 600 018.

Date: 20th September 2012

Time: 10.00 a.m.

<u>Proxy's name in Block Letters</u>	<u>Member/Proxy's Signature</u>
---	--

DHARANI FINANCE LIMITED

Regd. Office : "PGP House" No.57 Sterling Road, Nungambakkam, Chennai – 600 034.

PROXY FORM

I/We _____
Folio / ID No. : _____ of _____
being a Member / Members of Dharani Finance Limited hereby appoint _____
_____ of _____ or failing him
_____ of _____ as my/our proxy to attend and vote for me/
us on my/our behalf at the Twenty Second Annual General Meeting of the Company to be
held at 10.00 a.m. on Thursday, the 20th September 2012 and at any adjournment thereof.

Signed this _____ Day at _____ 2012

FOR OFFICE USE ONLY

No. of Shares.
Proxy No.

Affix
Revenue
Stamp

Signature

- Note:
1. The Proxy need NOT be a Member
 2. The Proxy Form duly signed across revenue stamp should reach the Company's Registered office atleast 48 hours before the scheduled time of Meeting.
 3. Proxy cannot speak at the Meeting or vote on a show of hands.



**SHAREHOLDERS ARE INFORMED THAT
NO GIFTS WILL BE DISTRIBUTED DURING
OUR ANNUAL GENERAL MEETINGS**