



DHARANI FINANCE LIMITED

Regd. & Admin. Off : "PGP HOUSE", No.57, Sterling Road, Nungambakkam, Chennai - 600 034.

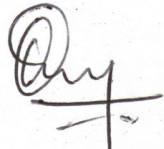
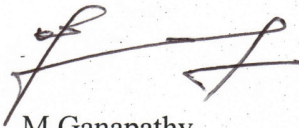
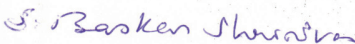
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FORM A

Format covering letter of the annual report to the filed with the stock exchanges

(In pursuance of Clause 31 of the Listing Agreement)

1	Name of the Company	Dharani Finance Limited
2	Annual Financial Statements for the year ended	31 st March 2013
3	Type of Audit observation	Un-qualified
4	Frequency of observation	Not Applicable
5	CEO & Managing Director	For Dharani Finance Limited  K Kandasamy
6	CFO	The Company does not have a separate CFO and the Managing Director is in charge.
7	Audit Committee Chairman	For Dharani Finance Limited  M Ganapathy
8	Auditor of the Company	For Ramkrish & Co., Chartered Accountants (Firm Regn.No. 003017S)  S Baskar Shrinivas Partner Membership No.209004

DHARANI FOR DEPENDABILITY

Branches : Chennai Namakkal

Book - Post

To,



If Undelivered, Please return to
DHARANI FINANCE LIMITED
(Secretarial Division)
" PGP HOUSE "
No.57, Sterling Road, Nungambakkam,
Chennai - 600 034

DHARANI FINANCE LIMITED



23rd

ANNUAL REPORT 2012-13



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DHARANI FINANCE LIMITED

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 &
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: 044- 2831 1313, 2825 4176
Fax No: 044 – 2823 2074
Email: secretarial@dharanifinance.in
Website : www.dharanifinance.in



DHARANI FINANCE LIMITED

NOTICE TO SHAREHOLDERS

Notice is hereby given that the **TWENTYTHIRD ANNUAL GENERAL MEETING** of the members of the Company will be held on **Tuesday the 24th September 2013 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 2013 and the 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 Mr R K Viswanathan, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Dr S Muthu, who retires by rotation and being eligible offers himself for re-appointment
4. 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 N. Subramanian
Date:30.05.2013 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 **16th September 2013 to 24th September 2013** (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, 2010-11 and 2011-12 may send the same to the Registered Office or Share Transfer Agent for revalidation.
8. Unpaid dividend for over 7 years will be transferred to Central Government and no claim will lie thereafter. Members may refer to page No.15 of the Annual Report and lodge their claim, if any, immediately.
9. The Ministry of Corporate Affairs vide its Circular dated 21st April 2011 allowed 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 N Subramanian
Date : 30.05.2013 Company Secretary



DHARANI FINANCE LIMITED

DIRECTORS' REPORT

Dear Members,

The Board of Directors present herein the **TWENTYTHIRD** Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

The Financial results for the year ended 31st March 2013 are briefly as follows: -

(Rs. in Lakhs)

Particulars	For the year Ended 31.03.2013	For the year Ended 31.03.2012
Income through Travel Operations, Finance Services and others	298.17	351.32
Expenditure (Employee & Administrative Expenses)	252.35	197.03
Profit	45.82	154.29
Provision for diminution in value of investments	(7.62)	31.32
Depreciation	62.02	55.75
Interest & Bank Charges	0.16	0.81
Profit /(Loss) after depreciation & Interest	(8.74)	66.11
Provision for Income Tax - Current	0.24	24.30
- Deferred	(6.11)	(3.03)
Profit /(Loss) after Tax	(2.87)	44.84
Surplus /(deficit) brought forward	48.41	53.20
Profit available for appropriation	45.54	98.03
APPROPRIATIONS		
Transfer to Statutory Reserves	-	8.97
Proposed Dividend	-	34.98
Dividend Distribution Tax	-	5.67
Net Surplus/(Deficit) carried over	45.54	48.41

PERFORMANCE

Income of the Company for the year 2012-13 came down to Rs.298.17 lakhs from Rs.351.32 lakhs reflecting in part the reduction of earnings in travel operations. This includes a sum of Rs.1.33 lakhs earned as profits in an export transaction for the first time and Rs.4.78 lakhs as dividend on investment in Dharani Sugars and Chemicals Limited. The expenses have gone up to Rs.306.91 lakhs from 285.21 lakhs due to general increase in all items of expenditure, especially in vehicle maintenance, cost of fuel etc. There was a gross profit of Rs.53.28 lakhs. However, depreciation had to be provided at a higher amount of Rs.62.02 lakhs as against Rs.55.75 lakhs in the previous year. Further, in the previous year, the Company was able to record a gain of Rs.28.48 lakhs through sale of some investments. A similar gain is not available this year as the stock market was also in a flux. The Company had to cease the business of a full fledged money changer, as Reserve Bank of India had withdrawn its licence. As a result the operations for the year ended in a net nominal loss of Rs.2.87 lakhs after providing for taxes.

OUTLOOK

Taking into account the economic situation during 2012-13 and the pointers for the coming year, state of world economy, performance of the hotel industry on which the company's travel division's earnings depend, the monetary tightening and further stringent measures by Reserve Bank of India over Non Banking Financial Companies (NBFC), the outlook does not appear too bright. However, the Government of India is confident of an improvement in the economy as a result of various measures taken by them and also proposed to be taken, to boost investments especially FDI, , manufacture and trade. Your Company continues to explore various options to increase its business operations over different fields with a view to provide better returns to the shareholders.



DIVIDEND

As the Company's operations during the year under review have not resulted in profits, your directors regret their inability to recommend any dividend. No amount is being transferred to the Reserves due to the same reasons.

DEPOSITS

The Company does not hold any public deposits as on 31st March 2013. 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. However, there was an accidental delay in surrendering the available foreign exchange, once its licence as full fledged money changer was withdrawn. The Company had to pay a sum of Rs.50,000/- as fees for condoning this delay.

DIRECTORS

Mr R K Viswanathan retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Dr S Muthu 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 voluntary guidelines for Corporate Governance as introduced 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 could not be 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	2012 -13	2011 -12
Foreign exchange earnings	Nil	Nil
Foreign exchange outgo	Nil	Nil

PARTICULARS OF EMPLOYEES

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

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 : 30.05.2013



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 Directors	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 23.05.2012, 10.08.2012, 10.11.2012 and 11.02.2013.

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 held by them are given below.

Sl. No	Name of the Director	Category of Directorship	No of Board Meetings Attended	Attendance at last AGM	No of other Directorships	No of Committee Membership	
						Chm.	Mem.
1	Dr Palani G Periasamy	Chairman (Non Executive)	4	Yes	4	3	-
2	Visalakshi Periasamy	Non Executive	2	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	1	2
6	Dr S Muthu	Non Executive Independent	4	Yes	-	-	1

**3. Management Committee Meeting**

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.

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

Mr. R. K. Viswanathan and Dr S Muthu, retire by rotation at this Annual General Meeting and are being proposed for reappointment. Particulars of these Directors are given below.

1	Name	Mr R K Viswanathan
	Age	72 years
	Qualification	B.A.,
	Date of Appointment	10.05.1990
	Experience	Leading trader and Exporter in spices with more than 30 years experience in trade and marketing
	Other Directorship	Nil
	Member of Committees	Shareholders Grievance / Audit / Remuneration Committee
	No of Shares held	21200 Shares
	Percentage of Shares	0.42
	Inter Se Relationship	Not applicable

2	Name	Dr S Muthu
	Age	73 years
	Qualification	B.E., M.Sc., Ph.D.,
	Date of Appointment	10.11.2010
	Experience	He has wide range of experience in administration and educational field for nearly 35 years in Government Engineering Colleges and Directorate of Technical Education..
	Other Directorship	Nil
	Member of Committees	Audit Committee, 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 2012 – 2013, the Audit Committee met four times, on 23.05.2012, 10.08.2012, 10.11.2012 and 11.02.2013

SI. 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.

SI.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.

**DHARANI FINANCE LIMITED**

Remuneration of Directors:

- (a) 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 by way of sitting fees paid to non-executive Directors during 2012-13.

(In Rupees)

SI.No	Name of the Directors	Board	Committee
1	Dr Palani G Periasamy	4000	-
2	Mrs Visalakshi Periasamy	2000	-
3	Mr R K Viswanathan	4000	6000
4	Mr M Ganapathy	4000	5000
5	Dr S Muthu	4000	5000

- (b) Remuneration Committee met on 20.05.2013 and recommended the following as remuneration payable to Mr.K Kandasamy, Managing Director for the year 2012-13.

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	33,725.00
Total	15,04,121.00

This is in accordance with the approval of the Shareholders in the AGM held on 3rd August 2009 & within the limits prescribed in Schedule XIII to the Companies Act, 1956.

(c) No. of shares held by Non-Executive Directors

SI.No	Name of the Directors	No. of Shares	% of Shares
1	Dr Palani G Periasamy	353112	7.07
2	Mrs 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 23.05.2012.

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 2012 –2013.	5 (Five Only)
Pending complaints as on 31.03.2013	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
2011 – 2012	Narada Gana Sabha New No.314 TTK Road Alwarpet, Chennai 600 018	20.09.2012	10.00 A.M
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

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 and arrangement in which Directors are interested 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.

The Company confirms that it has not denied access to approach the Audit Committee on any issue to any personnel. Direct access to the Chairman of the Audit Committee is always available.

No penalty or strictures were imposed on the Company by Stock Exchange or SEBI or any statutory authority during the last 3 years, except what is referred to in the Director's report.

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: As per SEBI directives and as per Listing Agreement with Stock Exchange, 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.

As a responsible corporate citizen, the Company shall endeavour to support the Green Initiative of the Government, with the active support and co-operation of shareholders.



DHARANI FINANCE LIMITED

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 henceforth 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 their 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

Included as 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	24 th September 2013 at 10.00 A.M Mini Hall, Narada Gana Sabha, No. 314 TTK Road. Alwarpet, Chennai 600 018		
ii. Financial Year	April 2012 – March 2013		
iii. Date of Book Closure	16 th September 2013 to 24 th September 2013 (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	Bombay Stock Exchange (in Rupees)		
	Months	High	Low
	April – 2012	5.14	4.43
	May – 2012	6.67	4.33
	June – 2012	8.65	6.31
	July – 2012	8.97	7.00
	August – 2012	8.33	6.64
	September – 2012	8.39	6.71
	October – 2012	8.15	6.11
	November – 2012	7.35	6.22
	December – 2012	8.01	6.66
	January – 2013	7.61	6.06
	February – 2013	7.72	6.40
	March – 2013	7.35	5.50

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 2013

Shareholding of Nominal Value of Rs.	Shareholders		Shares in Amount	
	Number	%	In Rs.	%
Upto – 5000	15816	95.92	21173970	42.40
5001 – 10000	418	2.54	3353210	6.71
10001 – 20000	122	0.74	1769720	3.54
20001 – 30000	49	0.30	1197720	2.40
30001 – 40000	20	0.12	721740	1.45
40001 – 50000	11	0.07	498550	0.99
50001 – 100000	17	0.10	1403390	2.81
100001 – and above	35	0.21	19825700	39.70
Total	16488	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. Unclaimed Dividend

Pursuant to Section 205 A of the Companies Act, 1956, dividend remaining unpaid or unclaimed for a period of 7 years will be transferred to the Investor Education and Protection Fund of the Central Government and no claim shall lie on same thereafter. Reminders for unpaid dividend are sent to the shareholders as per records every year.

Year	% of Dividend	Date	Unclaimed		Due date for transfer to IEPF
			No of Warrants	Amt in lakhs	
2007-08	5	10.10.2008	6047	457376.00	31.10.2015
2009-10	5	01.10.2010	6447	493190.00	11.10.2017
2010-11	5	20.10.2011	7156	562842.00	30.10.2018
2011-12	7	15.10.2012	7483	836050.00	24.10.2019

MCA by notification GSR 352 (E) dated 10.05.2012 has stipulated publication of details of unclaimed/ unpaid dividend in the Company website and MCA website. This is understandably to facilitate investors track unclaimed dividend by checking the status online and real time. Our company has already uploaded the requisite details that will get updated every year within 90 days of Annual General Meeting.

X Transactions entered into by Non-Executive Directors.

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



XI. 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 31.03.2013, 2791459 Shares constituting 55.89% have been dematerialised.

	No of Shares	% of Shares
National Securities Depository Limited	2444809	48.95
Central Depository Services (I) Ltd	346650	6.94
Total	2791459	55.89

XII. 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.

XIII. 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 2012-13 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.



DHARANI FINANCE LIMITED

- 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.

K Kandasamy
Chief Executive Officer &
Managing Director

XIV. 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.

K Kandasamy
Managing Director

XV. Compliance Officer

Mr N Subramanian, Company Secretary and 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



DHARANI FINANCE LIMITED

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 2013, 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
(Firm's Registration # 003017S)

S.BASKAR SHRINIVAS
Partner
Membership # 209004

Place : Chennai
Date : 30/05/2013



INDEPENDENT AUDITOR'S REPORT

To the Members of M/s. Dharani Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of M/s. Dharani Finance Limited ("the company"), which comprise the Balance Sheet as at March 31, 2013, and the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by

the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:



- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013
- (b) In the case of the Profit and Loss Account, of the profit/loss for the year ended on that date; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

Handbook of Auditing Pronouncements-I.A

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, 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 purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with in this Report are in agreement with the books of account.

d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

3. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Forming an Opinion and Reporting on Financial Statements

For K. Ramkrish & Co.
Chartered Accountants
Firm's Registration # 003017S

Place : Chennai
Date : 30.05.2013

S.BASKAR SHRINIVAS
Partner
Membership # 209004



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, 2013. 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 granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. The Company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
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 2013 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 -----				



DHARANI FINANCE LIMITED

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

(Firm's Registration # 003017S)

S.BASKAR SHRINIVAS

Partner

Membership # 209004

Place: Chennai

Date : 30.05.2013

**DHARANI FINANCE LIMITED****Balance Sheet as at 31 March, 2013**

Particulars	Note No	As at 31/03/2013 (Rs)	As at 31/03/2012 (Rs)
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	3	49,972,000	49,972,000
(b) Reserves and Surplus	4	14,025,162	14,311,831
(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	263,100	244,600
(d) Long term provisions	6	1,234,885	977,200
(4) Current Liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	7	-	1,668,001
(c) Other current liabilities	7A	3,953,709	2,598,243
(d) Short-term provisions	6	390,935	4,408,164
Total		69,839,791	74,180,039
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(i) Tangible assets	8	4,298,609	7,199,195
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments	9	27,129,982	23,503,537
(c) Deferred tax assets (net)	2V	2,474,473	1,863,642
(d) Long term loans and advances	10	3,481,132	7,444,724
(e) Trade receivables	12	243,817	1,758,793
(f) Cash and cash equivalents	13	2,822,854	2,822,854
(2) Current assets			
(a) Current investments		-	-
(b) Inventories	11	-	2,387,519
(c) Trade receivables	12	17,552,714	12,099,305
(d) Cash and cash equivalents	13	10,331,117	14,864,204
(e) Short-term loans and advances	10	1,383,706	148,582
(f) Other current assets	14	121,387	87,682
Total		69,839,791	74,180,039

See accompanying notes to the financial statements.

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

Notes form an Integral part of the Balance Sheet and should be read in conjunction therewith.

For K RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

On behalf of the Board of Directors

S.BASKAR SHRINIVAS N.SUBRAMANIAN K KANDASAMY DR PALANI G PERIASAMY

Partner

Company Secretary

Managing Director

Chairman

Membership No. 209004

Place : Chennai - 34

Date : 30.05.2013

**DHARANI FINANCE LIMITED****Statement of Profit and Loss for the Year ended 31st March, 2013**

Particulars	Note No	For the year ended 31/03/2013 (Rs)	For the year ended 31/03/2012 (Rs)
REVENUE			
I. Revenue from operations			
- Financial Services	15	962,478	977,774
- Travels	15	27,237,999	30,625,748
- Interest Income	15	1,005,016	680,380
- Income from Export		133,222	-
II. Other Income	15A	478,279	2,848,239
III. Total Revenue (I +II)		29,816,994	35,132,141
EXPENSES			
Employee benefit expense	16	7,471,029	6,855,835
Finance costs	17	15,810	80,807
Depreciation expense	8	6,201,667	5,574,936
Other expenses	18	17,001,988	16,009,560
IV. Total Expenses		30,690,494	28,521,138
V. Profit/ (Loss) before exceptional and extraordinary items and tax (III - IV)		(873,500)	6,611,003
VI. Exceptional Items		-	-
VII. Profit/ (Loss) before extraordinary items and tax (V - VI)		(873,500)	6,611,003
VIII. Extraordinary Items		-	-
IX. Profit/ (Loss) before tax (VII - VIII)		(873,500)	6,611,003
X. Tax expense of continuing operations:			
(1) Current tax (including wealth tax)		24,000	2,430,000
(2) MAT credit entitlement		-	-
(3) Deferred tax		(610,831)	(302,701)
XI. Profit/(Loss) for the period from continuing operations (IX - X)		(586,831)	2,127,299
XII. Profit/(Loss) from discontinuing operations		(286,669)	4,483,704
XIII. Tax expense of discounting operations			
XIV. Profit/(Loss) from Discontinuing operations after tax (XII-XIII)		-	-
XV. Profit/(Loss) for the period (Profit/ (Loss) After Tax) (XI + XIV)		(286,669)	4,483,704
XVI. Earning per equity share			
(1) Basic		(0.06)	0.90
(2) Diluted		(0.06)	0.90

See accompanying notes to the financial statements.

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

Notes form an Integral part of the Profit and Loss Statement and should be read in conjunction therewith.

For K RAMKRISH & CO.,

On behalf of the Board of Directors

Chartered Accountants
(Firm Registration # 003017S)**S.BASKAR SHRINIVAS N.SUBRAMANIAN**
Partner

Company Secretary

K KANDASAMY
Managing Director**DR PALANI G PERIASAMY**
ChairmanMembership No. 209004
Place : Chennai - 34
Date : 30.05.2013



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. Statement of 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 income 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 31.03.2013 is given below

(Rs.in Lakhs)

DESCRIPTION	ASSET	LIABILITY
Timing Difference in Depreciable Asset	18.64	----
Timing difference in Provision against NPA	6.10	----
Total	24.74	----
Net Deferred Tax Asset	24.74	----

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.

**DHARANI FINANCE LIMITED****Business Segment****SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH 2013
INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS**

(Rs. in Lakhs)

PARTICULARS	FINANCIAL SERVICES	TRAVEL OPERATIONS	Export Services	UNALLOCATED	TOTAL
REVENUE					
Financial Services	19.68				19.68
Travel Operation		272.38			272.38
Export Services			1.33	-	1.33
Other Income	4.78	-			4.78
Total Revenue	24.46	272.38	1.33	-	298.17
RESULT					
Segment Result	(3.01)	(7.06)	1.33	-	(8.74)
Unallocated Corporate Expense	-	-	-	-	-
Operating Profit/ (Loss)	-	-	-	-	(8.74)
Interest Expenses	-	-	-	-	-
Interest Income	-	-	-	-	-
Income Taxes	-	-	-	5.87	5.87
Profit from Ordinary Activities	-	-	-	-	(2.87)
Extraordinary items	-	-	-	-	-
NET PROFIT	(3.01)	(7.06)	1.33	5.87	(2.87)
OTHER INFORMATION					
Segment Assets	410.80	325.34		-	736.14
Unallocated Corporate assets				24.92	24.92
Total assets	410.80	325.34		24.92	761.06
Segment Liabilities	3.96	87.73	2.80	-	94.49
Unallocated Corporate liabilities				51.34	51.34
Total liabilities	3.96	87.73	2.80	51.34	145.83
Capital Expenditure				-	-
Depreciation	1.72	60.30		-	62.02
Non-cash expenses other than depreciation	-	-		-	-



Notes to financial statements for the year ended March 31, 2013 Contd.,

3. SHARE CAPITAL

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

Particulars	31.03.2013 (Rs.)	31.03.2012 (Rs.)
Authorised share capital 50,00,000 Equity shares of Rs. 10/- each (previous year 50,00,000 Equity shares of Rs 10/- each)	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
Paid-up Share Capital 49,94,400 Equity shares of Rs.10/- each (previous year 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	31.03.2013		31.03.2012	
	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. Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% of holding in that class of shares	Number of shares held	% of holding in that class of shares
Equity shares with voting rights				
Dr. Palani G Periasamy	353112	7.07	353112	7.07

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	As at 31 March 2013 (Rs.)	As at 31 March 2012 (Rs.)
4. RESERVES AND SURPLUS		
Securities Premium Account	-	-
Statutory Reserve		
Balance as per the last financial statements	9,470,725	8,573,984
Add: amount transferred from surplus balance in the statement of profit and loss	-	896,741
Closing Balance	9,470,725	9,470,725
Surplus/(deficit) in the Statement of Profit and Loss		
Balance as per last financial statements	4,841,106	5,319,653
Profit/(loss) for the year	(286,669)	4,483,704
Less: Appropriations		
Proposed final equity dividend (amount per share Re.0.00 (31 March 2012: Re. 0.70))	-	3,498,040
Tax on proposed equity dividend	-	567,470
Provision for Standard Assets	-	-
Transfer to general reserve	-	-
Transfer to statutory reserve	-	896,741
Total appropriations	-	4,962,251
Net surplus/(deficit) in the statement or profit and loss	4,554,437	4,841,106
Total reserves and surplus	14,025,162	14,311,831

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	Non Current		Current	
	31 March 2013 (Rs.)	31 March 2012 (Rs.)	31 March 2013 (Rs.)	31 March 2012 (Rs.)
5. OTHER LONG TERM LIABILITIES				
Trade payables	-	-	-	-
Others	263,100	244,600	-	-
Total	263,100	244,600	-	-
6. PROVISIONS				
Provision for employee benefits	1,131,812	947,381	390,935	338,151
Provision for dividends (including dividend distribution tax)	-	-	-	4,065,510
Provision for income tax (Net of Advance tax of Rs.6,074,418) (As at 31st March 2012 - Rs. 2,425,427)	60,085	-	-	4,503
Contingent Provision against Standard Assets	42,988	29,819	-	-
Total	1,234,885	977,200	390,935	4,408,164
7. TRADE PAYABLES				
			31 March 2013 (Rs.)	31 March 2012 (Rs.)
Trade payables			-	1,668,001
7A. OTHER CURRENT LIABILITIES				
Unpaid / unclaimed dividends			2,277,580	1,500,505
Service tax payable			1,067	133,074
TDS Payable			13,422	24,688
PF/ ESI Payable			56,308	81,219
Leave Encashment payable			216,270	239,783
Expenses payable			1,389,062	618,974
Total			3,953,709	2,598,243



DHARANI FINANCE LIMITED

Notes to financial statements for the year ended March 31, 2013 contd.,

8. FIXED ASSETS - TANGIBLE

S.NO	DESCRIPTION	GROSS CARRYING AMOUNT		ACCUMULATED DEPRECIATION		ACCUMULATED IMPAIRMENT		NET CARRYING AMOUNT							
		AS ON 31/03/12 (1)	ADDITIONS (2)	DELETIONS (3)	AS ON 31/03/13 (4)	AS ON 31/03/12 (5)	FOR THE YEAR (6)	WITH DRAWN (7)	AS ON 31/03/13 (8)	AS ON 31/03/12 (9)	FOR THE YEAR (10)	AS ON 31/03/13 (11)	AS ON 31/03/12 (12)	AS ON 31/03/13 (13)	
1	Land														
	Owned														
	Leased														
2	Buildings														
	Owned														
	Leased														
3	Plant & Equipment														
	Owned	36,192,521	-	-	36,192,521	11,047,874	-	-	11,047,874	25,144,647	-	-	25,144,647	-	-
	Leased														
4	Furnitures & Fixtures														
	Owned	2,862,890	-	-	2,862,890	2,862,890	-	-	2,862,890	-	-	-	-	-	-
	Leased														
5	Vehicles														
	Owned	35,746,221	2,096,075	-	37,842,296	28,726,773	6,029,840	-	34,756,613	-	-	-	-	7,019,448	3,085,683
	Leased														
6	Office Equipments														
	Owned	2,349,286	1,205,006	-	3,554,292	2,169,539	171,827	-	2,341,366	-	-	-	-	179,747	1,212,926
	Leased														
	TOTAL	77,150,918	3,301,081	-	80,451,999	44,807,076	6,201,667	-	51,008,743	25,144,647	-	-	25,144,647	7,199,195	4,298,609

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	Non current	
	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
9.NON CURRENT INVESTMENTS		
(A) Investments at cost - Trade - Quoted		
Investment in equity instruments		
(i) of subsidiaries		
(ii) of associates		
(iii) of joint venture companies		
(iv) of controlled special purpose entities		
(iv) of other entities		
Dharani Sugars & Chemicals Ltd. 248039 Shares @ Rs.31.96 (Market Value Rs.69,45,092/-)	7,925,845	7,925,845
South Indian Bank Ltd. 17120 Shares @ Rs.5.28 (Market Value Rs 4,20,296/-)	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. 24,000/-)	217,500	217,500
Sri Nachammai Cotton Mills Ltd. 700 Shares @ Rs.70/- each (Market Value Rs. 8,554/-)	49,000	49,000
Central Bank of India Ltd. 1322 Shares @ Rs.102/- each (Market Value Rs. 88,442/-)	1,35,479	1,35,479
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. 3,02,500/-)	434,390	434,390

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

9.NON CURRENT INVESTMENTS (contd.,)

Particulars	Non current	
	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
Canara Bank 700 Shares @ Rs.228.01 each (Market Value Rs. 2,69,115/-)	159,606	159,606
Corporation Bank 500 Shares @ Rs.286.99 each (Market Value Rs. 1,92,900/-)	143,497	143,497
HDFC Bank 24845 Shares @ Rs.352.30 each (Previous year - 21845 shares @ Rs.317.05) (Market Value Rs. 1,56,77,195/-)	8,752,809	6,926,087
HDFC Ltd 355 Shares @ Rs.717.59 each (Market Value Rs. 2,931,41/-)	254,745	254,745
IDFC 7000 Shares @ Rs.181.88 each (Market Value Rs.10,05,550/-)	1,273,125	1,273,125
LARSEN & TOUBRO 2050 Shares @ Rs.1283.28 each (Market Value Rs. 27,98,045/-)	2,630,717	2,630,717
RELIANCE INDUSTRIES 3124 Shares @ Rs.1,139.91 each (Market Value Rs.24,17,039/-)	3,561,083	3,561,083
STATE BANK OF INDIA 700 Shares @ Rs.1968.78 each (Previous year - 200 shares @ Rs.1701.61) (Market Value Rs.14,50,925/-)	1,378,146	340,321
TATA MOTORS 1160 Shares @ Rs.222.56 each (Market Value Rs 3,12,388/-)	258,166	258,166
SATYAM COMPUTERS 5000 Shares @ Rs.80.07 each (Market Value Rs. 6,40,500/-)	400,373	400,373
Total	27,692,683	24,828,136



DHARANI FINANCE LIMITED

Notes to financial statements for the year ended March 31, 2013 contd.,

9. NON CURRENT INVESTMENTS (contd.,)

Particulars	Non current	
	As at 31.03.2013 (Rs.)	As at 31.03.2012 (Rs.)
INVESTMENT IN MUTUAL FUNDS		
LIC Mutual Fund top 100 fund 2,00,000 Units @ Rs.10 each (Market Value Rs.15,92,580/-)	2,000,000	2,000,000
UTI Infrastructure fund - Growth Plan 25,462.687 Units @ Rs.33.50 each (Market Value Rs. 6,73,771/-)	853,000	853,000
	2,853,000	2,853,000
Total - Trade (A)	30,545,683	27,681,136
(B) Other Investments	-	-
Total - Other Investments (B)	-	-
Total Investments (A + B)	30,545,683	27,681,136
Less aggregate Provision for diminution in value of Investments	3,415,701	4,177,599
Total	27,129,981	23,503,537
Aggregate amount of quoted investments	30,539,683	27,675,136
Aggregate market value of listed and quoted investments	35,116,031	28,701,830
Aggregate value of listed but not quoted investments	6,000	6,000
Aggregate amount of unquoted investments	-	-

10. LOANS & ADVANCES	Non current		Current	
	31 03 2013 (Rs.)	31 03 2012 (Rs.)	31 03 2013 (Rs.)	31 03 2012 (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	208,606	203,606	-	-
Doubtful				
Less: Allowances for bad and doubtful debts				
Total (B)	208,606	203,606	-	-
(C) Loans & advances to related parties				
Secured, Considered good				
Unsecured, Considered good				
Doubtful				
Less: Allowances for bad and Doubtful debts				
Total (C)	-	-	-	-

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	Non Current		Current	
	31 March 2013 (Rs.)	31 March 2012 (Rs.)	31 March 2013 (Rs.)	31 March 2012 (Rs.)
10. LOANS & ADVANCES (contd.,)				
(D) Loans and advances to employees				
Secured, considered good	3,400	13,600	-	30,100
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Provision for doubtful loans and advances	-	-	-	-
	3,400	13,600		30,100
(E) Prepaid expenses - Unsecured, considered good	-	-	-	-
(F) Advance income tax # (net of provisions ' (As at 31-03- 2012 Rs.55,582) Unsecured, considered good	-	(55,582)	1,408,084	-
(G) MAT credit entitlement # Unsecured, considered good	-	-	-	-
(H) Balances with government authorities				
Unsecured, considered good	-	-	-	-
(i) CENVAT credit receivable	-	-	-	-
(ii) VAT credit receivable	-	-	(24,378)	118,482
(iii) Service Tax credit receivable	-	-	(24,378)	118,482
(I) Other loans and advances - Vehicles				
Secured, considered good	-	-	-	-
Unsecured, considered good	3,269,126	6,327,350	-	-
Doubtful	216,797	216,797	-	-
Less: Provision for other doubtful loans and advances	(216,797)	(216,797)	-	-
	3,269,126	6,327,350		
Total (A+B+C+D+E+F+G+H+I)	3,481,132	7,444,724	1,383,706	148,582
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	-	-	-	-
Unsecured, Considered good	-	-	490,939	2,377,208
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (A)	-	-	490,939	2,377,208

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	Non Current		Current	
	31 March 2013 (Rs.)	31 March 2012 (Rs.)	31 March 2013 (Rs.)	31 March 2012 (Rs.)
12. TRADE RECEIVABLES (contd..)				
(B) Trade receivables (others)				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	-	-	15,455,315	6,454,972
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (B)	-	-	15,455,315	6,454,972
(C) Stock on Hire				
Secured, Considered good	243,817	1,758,793	1,606,460	3,267,125
Unsecured, Considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
Total (C)	243,817	1,758,793	1,606,460	3,267,125
Total (A+B+C)	243,817	1,758,793	17,552,714	12,099,305
13. CASH AND CASH EQUIVALENTS				
(A) Balances with banks				
(i) Earmarked Bank Balances (Unpaid dividend)	-	-	2,282,580	1,505,505
(ii) Bank balances held as margin money or as security deposit	-	-	-	-
(iii) Other bank balances	-	-	6,330,764	6,294,696
(B) Deposit with original maturity for >12 months	2,822,854	2,822,854	1,661,308	6,500,000
(C) Cash on hand	-	-	56,465	564,003
(D) Others	-	-	-	-
Total (A+B+C+D)	2,822,854	2,822,854	10,331,117	14,864,204
14. OTHER CURRENT ASSETS				
Interest accrued on Deposits	-	-	47,588	47,588
Advance for Capital Purchase	-	-	-	-
Other Advance	-	-	73,799	40,094
Total			121,387	87,682

**DHARANI FINANCE LIMITED**

Notes to financial statements for the year ended March 31, 2013 contd.,

Particulars	For the year ended 31.03.2013 (Rs)	For the year ended 31.03.2012 (Rs)
15. INCOME FROM OPERATIONS		
(A) Income from Financial Services	962,478	977,774
(B) Income from Travel Operations	27,237,999	30,625,748
(C) Interest Income	1,005,016	680,380
Total (A+B+C)	29,205,493	32,283,902
15A. OTHER INCOME		
Dividend from Long term Investments	478,279	252,819
Net gain on Sale of Long term Investments	-	2,595,420
	478,279	2,848,239
16. EMPLOYEE BENEFITS EXPENSES		
Salaries & Allowances	6,647,528	6,085,122
Contribution to PF, ESI & Other Funds	705,526	375,127
Staff Welfare Expenses	117,975	395,586
Total	7,471,029	6,855,835
17. FINANCE COSTS		
Bank Charges	15,810	80,807
Other borrowing costs	-	-
Total	15,810	80,807
18. OTHER EXPENSES		
Rent	565,647	439,548
Insurance	777,771	309,814
Rates & Taxes other than taxes on income	57,018	10,309
Postage & Telephone	-	295,907
Payment to Auditors		
- as auditors	66,180	66,180
- for tax audit	-	-
Legal professional & consultancy charges	230,981	137,526
Advertisement, publicity and sales promotion	548,268	380,906
Adjustment to carrying amount of investments	(761,898)	3,132,478
Contingent provision against Standard Assets	13,170	29,819
Directors' remuneration	1,504,121	1,481,063
Vehicle Maintenance	12,003,036	8,692,057
Repairs and Maintenance	23,415	13,941
Miscellaneous expenses	1,974,279	1,020,012
Total	17,001,988	16,009,560



Notes on Accounts

Note 19**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. Expenditure on Employees	2012-2013	2011-2012
(a) Number of employees employed throughout 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
19.3.(a) Expenditure in Foreign currency	NIL	NIL
(b) Earnings in Foreign Exchange	NIL	NIL

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

19.5. 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.

19.6. Managerial Remuneration

Managing Director	2012-13 Rs.	2011-12 Rs.
i. Salary	10,20,000	10,20,000
ii. Perquisites		
(a) Rent	90,000	90,000
(b) Leave Travel Allowance	-	-
c) Medical Reimbursement	84,996	84,996
iii a) Contribution to Provident Fund	1,22,400	1,22,400
b)Contribution to Superannuation Fund	1,53,000	1,53,000
c) Gratuity	33,725	10,667
	15,04,121	14,81,063



Notes on Accounts ..., Contd

19.7. 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 M/s. Dharani Credit and Finance Private Ltd M/s. PGP Hotels and 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 2012-2013

Value in Lakhs

	Associate Companies	Key Management Personnel
Remuneration paid to	-	15.04
Rent for Premises paid to	0.60	3.85
Sitting Fees Paid to	-	0.06
Interest received on ICD	-	-
Inter Corporate Deposit Given	-	-
Services rendered to (air ticket Sales & car rentals)	354.57	-
Outstanding as on 31.03.2013 against services rendered during the year.	157.26	-

19.8. Other Income (Income – Finance Operations) includes Rs. 37,261/- received at the time of surrender of all the available Foreign Exchange as per Reserve Bank of India's directions (previous year Rs.(66,568/-) representing income / (loss) from Forex operations in the status of Money Changer.

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

**DHARANI FINANCE LIMITED****Notes on Accounts ..., Contd**

19.10. Disclosure as per AS – 15 (Revised) 'Employee benefits' for the year ended 31.03.2013

Description of Benefits Plan	Unfunded Gratuity
Present value of projected benefit obligations	Rs.1,517,747/-
A) Actuarial assumptions	31.03.2013
Discount rate	7.80%
Salary escalation rate	6%
Attrition Rate	24%

The present value of obligation towards compensated absences, as per actuarial certificate, as on 31.03.2013 was Rs. 2,16,270/- and is provided for in the books of accounts.

19.11. 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)	
	2012-2013	2011-2012
Loans & Advances	2.17	2.17
Total	2.17	2.17

19.12. Earnings Per Share:	2012-2013		2011-2012	
a) Net Profit/(Loss) as per Profit & Loss Account (Rs.in Lakhs)	(2.87)		44.84	
b) No. of Equity Shares	4994400		4994400	
c) Earnings per Share (in Rupees)	(0.06)		0.90	

19.13. Dues to Small- Scale Industrial undertakings

The company has no outstanding dues to small-scale industrial undertakings as on 31st March 2013 and 31st March 2012.

Signatories to Notes 1 to 19

For K RAMKRISH & CO.,

Chartered Accountants
(Firm Regn # 003017S)

On behalf of the Board of Directors

S.BASKAR SHRINIVAS **N.SUBRAMANIAN** **K KANDASAMY** **DR PALANI G PERIASAMY**
Partner Company Secretary Managing Director Chairman

Membership No. 209004
Place : Chennai – 34
Date : 30.05.2013

**DHARANI FINANCE LIMITED**

Schedule to the Balance Sheet for the year ended 31st March 2013 (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	195.32		

**DHARANI FINANCE LIMITED**

Sl. No.	Particulars	(Rs. in Lakhs) Amount Outstanding
3	Break-up of Leased Assets and Stock on Hire and other assets counting towards AFC activities	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	Nil
	(b) Operating lease	Nil
	(ii) Stock on hire including hire charges under sundry debtors :	
	(a) Assets on hire	18.50
	(b) Repossessed Assets	Nil
	(iii) Other loans counting towards AFC Activities :	
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	Nil
4.	Break-up of Investments Current Investments :	
	1. Quoted :	
	(i) Shares :	
	(a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual funds	
	(iv) Government Securities	
	(v) Others (Please specify)	
	2. Unquoted :	
	(i) Shares :	
	(a) Equity	
	(b) Preference	
	(ii) Debentures and Bonds	
	(iii) Units of Mutual Funds	
	(iv) Government Securities	
	(v) Others (please specify)	

**DHARANI FINANCE LIMITED**

Sl. No.	Particulars	(Rs. In Lakhs)		
	Long Term Investments			
	1. Quoted :			
	(i) Shares :			
	(a) Equity	276.86		
	(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	0.06		
	(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	157.26	157.26
	2. Other than related parties	20.67	35.89	56.56
	Total	20.67	193.15	213.82

**DHARANI FINANCE LIMITED**

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	69.45	69.45
	2. Other than related parties	281.71	201.85
	Total	351.16	271.30

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



DHARANI FINANCE LIMITED

Cash Flow Statement for the year ended 31 March, 2013

Particulars	For the year ended 31 March, 2013 (Rs. in Lakhs)		For the year ended 31 March, 2012 (Rs. in Lakhs)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(8.74)		66.11
<u>Adjustments for:</u>				
Depreciation and amortisation	62.02		55.75	
(Profit) / loss on sale / write off of assets			(0.95)	
Expense on employee stock option scheme	0.16		0.81	
Finance costs	(4.78)		(2.53)	
Dividend income			(25.95)	
Net (gain) / loss on sale of investments	(7.62)		31.32	
Adjustments to the carrying amount of investments			0.30	
Provision for contingencies	0.13			
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss	-	49.91	-	58.75
Operating profit / (loss) before working capital changes		41.17		124.86
<u>Changes in working capital:</u>				
Adjustments for (increase)/decrease in operating assets:				
Inventories	23.88		(23.88)	
Trade receivables	(39.38)		55.75	
Short-term loans and advances	(12.59)			
Long-term loans and advances	39.64		(87.69)	
Other current assets	(0.34)	11.20	(7.61)	(63.43)
Adjustments for increase/(decrease) in operating liabilities:				
Trade payables	(16.68)		16.68	
Other current liabilities	13.55		3.65	
Other long-term liabilities	0.19		0.53	
Short-term provisions	0.48		(0.81)	
Long-term provisions	2.45	(0.01)		20.05
		52.36		81.48
Cash flow from extraordinary items	-	-	-	-
Cash generated from operations Net income tax (paid) / refunds		52.36		81.48
Net cash flow from / (used in) operating activities (A)		52.36		81.48

**DHARANI FINANCE LIMITED****Cash Flow Statement for the year ended 31 March, 2013 (Contd.,)**

Particulars	For the year ended 31 March, 2013 (Rs. in Lakhs)		For the year ended 31 March, 2012 (Rs. in Lakhs)	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	(33.01)		(68.14)	
Proceeds from sale of fixed assets	-		0.95	
Purchase of long-term investments	-		-	
- Others	(28.65)		(37.55)	
Proceeds from sale of long-term investments				
- Others	-		75.35	
Loans given	-		-	
Loans realised				
Interest received				
Dividend received				
- Associates	2.54		-	-
- Others	2.24		2.53	-
		(56.88)		(26.86)
Cash flow from extraordinary items		-		-
Net income tax (paid)/refunds		-		-
Net cash flow from/(used in) investing activities (B)		(56.88)		(26.86)
C. Cash flow from financing activities				
Repayment of other short-term borrowings				
Finance cost	(0.16)		(0.81)	
Dividends paid	(34.98)		(24.99)	
Tax on dividend	(5.67)		(4.15)	
		(40.81)		(29.95)
Cash flow from extraordinary items		-		-
Net cash flow from / (used in) financing activities (C)		(40.81)		(29.95)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(45.33)		24.67
Cash and cash equivalents at the beginning of the year		176.87		152.20
Cash and cash equivalents at the end of the year		131.54		176.87
Reconciliation of Cash and Cash equivalents with the Balance Sheet		131.54		176.87



DHARANI FINANCE LIMITED

Cash Flow Statement for the year ended 31 March, 2013 (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)

S.BASKAR SHRINIVAS N.SUBRAMANIAN K KANDASAMY DR PALANI G PERIASAMY

Partner Company Secretary Managing Director Chairman

Membership No. 209004

Place : Chennai – 34

Date : 30.05.2013

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of **M/s. DHARANI FINANCE LIMITED** for the year ended 31st March 2013. 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 2013.

For **K. RAMKRISH & CO.,**

Chartered Accountants
(Firm Regn # 003017S)

S.BASKAR SHRINIVAS

Partner

Membership # 209004

Place: Chennai - 34

Date : 30.05.2013



DHARANI FINANCE LIMITED

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



DHARANI FINANCE LIMITED

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 Third Annual General Meeting

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

Date: 24th September 2013

Time: 10.00 a.m.

<u>Proxy's name in Block Letters</u>	<u>Member/Proxy's Signature</u>
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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 Third Annual General Meeting of the Company to be
held at 10.00 a.m. on Tuesday, the 24th September 2013 and at any adjournment thereof.

Signed this _____ Day at _____ 2013

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 GIFT WILL BE DISTRIBUTED DURING
OUR ANNUAL GENERAL MEETING

