FORM A

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

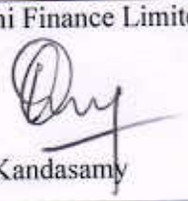
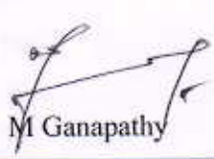
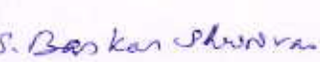
(In pursuance of Clause 31 of the Listing Agreement)

1	Name of the Company	Dharani Finance Limited
2	Annual Financial Statements for the year ended	31st March 2014
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

FORM B

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

(In pursuance of Clause 31(a) of the Listing Agreement)

1	Name of the Company	Dharani Finance Limited
2	Annual Financial Statements for the year ended	31st March 2014
3	Type of Audit Qualification	Un-qualified
4	Frequency of Qualification	Not Applicable
5	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	
6	Additional comments from the board/ audit committee chair:	As per disclosures made in the Annual Report
7	CEO & Managing Director	For Dharani Finance Limited  K Kandasamy
8	CFO	The Company does not have CFO
9	Audit Committee Chairman	For Dharani Finance Limited  M Ganapathy
10	Auditor of the Company	For Ramkrish & Co,, Chartered Accountants (Firm Regn.No. 003017S)  S Baskar Shrinivas Partner Membership No.209004

DHARANI FINANCE LIMITED

PGP GROUP

24th

ANNUAL REPORT
2013 - 14

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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 & 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. CIN – L65191T1990PLC019152 Phone Nos. 044-2831 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 FOURTH ANNUAL GENERAL MEETING** of the members of the Company will be held on **Thursday, the 25th September 2014 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 Financial Statements including Balance Sheet as at 31st March 2014, the Statement of Profit and Loss and Cash Flow Statements for the year ended on that date and consider the reports of the Directors and Auditors.

2. To appoint a Director in place of Ms. Visalakshi Periasamy, (holding DIN 00064517) who retires by rotation and being eligible offers herself for re-appointment.

3. To appoint Auditors and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification the following resolution as a **SPECIAL RESOLUTION.**

   "RESOLVED THAT pursuant to Sections 196, 197and 198 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and subject to such other approvals or consents as may be necessary, approval of the shareholders be and is hereby accorded for the reappointment of Mr K Kandasamy, (holding DIN 00277906) as Managing Director, not subject to retirement by rotation, for a further period of five years from 25.06.2014 to 24.06.2019.

   ALSO RESOLVED THAT Mr K Kandasamy, be paid the following remuneration.

Salary	Rs. 105000/- per month in the scale of Rs. 105000- 5000-125000
Perqui-sites	Perquisites detailed below. It shall however be restricted to an amount equal to the annual salary.

In case there are no profits in any financial year during the tenure of Mr K Kandasamy as Managing Director or if the profits are insufficient, he may be paid only the minimum remuneration within the limits prescribed in Sec II, Part II of Schedule V to the Companies Act, 2013 as applicable to a Company of this size and after following the procedure detailed therein.

Perquisites, other than contribution to Provident Fund, Superannuation Fund, gratuity, as admissible according to existing regulations, are presently classified as follows:

Part A

Housing I – The expenditure incurred by the Company on hiring unfurnished accommodation for the use of the Managing Director will be subject to the following ceilings:

At Bombay, Calcutta, Delhi and Chennai 60% of salary, over and above 10% payable by the Managing Director.

The expenditure incurred by the Company on gas, electricity, water and furnishings will be valued as per the Income Tax Rules, 1962. This will, however, be subject to ceiling of 10% of the salary.

Housing II – In case accommodation is owned by the Company, 10% of the salary of the Managing Director shall be deducted by the Company.

Housing III – In case no accommodation is provided by the Company, the Managing Director shall be entitled to House Rent Allowance subject to the ceiling laid down in Housing I.

Part B

He will be entitled to Leave Travel Allowance as per Company Policy. He will also be entitled to reimbursement of Medical expenditure as per Company Policy.

Part C

Provision of a car with driver and telephone at residence provided that personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

5. To consider and, if thought fit, to pass with or without modification the following resolution as a **SPECIAL RESOLUTION**.

"RESOLVED THAT in pursuance of Section 186 of the Companies Act, 2013, and the rules made thereunder approval of the shareholders is hereby accorded, permitting the Board of Directors of the Company to acquire by way of subscription, purchase or otherwise, securities of any other body corporate exceeding 60% of its paid up share capital and free reserves or 100% of its free reserves, whichever is more, subject to a total maximum limit of Rupees four crores only.

A**LSO RESOLVED THAT** the Board of Directors be and is hereby authorised to take suitable steps to implement the above resolution, subject to the limits.

6. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr M Ganapathy, (holding DIN 00234337), Director of the Company. who retires by rotation at this Annual General Meeting, and who has offered himself for reappointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 25.09.2014 to 24.09.2019.

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Mr R K Viswanathan, (holding DIN 00047420), a Director of the Company whose period of office is liable to determination by retirement of directors by rotation as per Section 255 and 256 of the earlier Companies Act,1956, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 25.09.2014 to 24.09.2019.

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

RESOLVED that pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013, Dr S Muthu, (holding DIN 0331664), a Director of the Company whose period of office is liable to determination by retirement of directors by rotation as per Section 255 and 256 of the earlier Companies Act,1956, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 25.09.2014 to 24.09.2019

By Order of the Board

For Dharani Finance Limited

Place : Chennai – 34 N Subramanian
Date : 29.05.2014 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 20th September 2014 to 25th September 2014 (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, 2010-11and 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.18 of the Annual Report and lodge their claim, if any, immediately.

9. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of the special business set out against item No.4,5, 6,7 & 8 are annexed hereto.

10. 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.

11. Pursuant to section 108 of the Companies Act, 2013 and in compliance with SEBI directives through the Listing Agreement, the Company has made the necessary arrangements to enable the members to exercise their right to vote on the resolutions through Electronic Voting. The detailed procedure for availing this facility is explained in the annexure. There will be no voting by show of hands at the Annual General Meeting.

By Order of the Board
For Dharani Finance Limited

Place : Chennai – 34 N Subramanian
Date : 29.05.2014 Company Secretary

Explanatory Statement Under Section 102 of the Companies Act, 2013.

Item No. 4.

Mr K Kandasamy was appointed as Managing Director with effect from 25.06.2009 in the scale of Rs.85000 - 5000-105000 in the AGM held on 3rd August 2009. His term of office comes to a close on 24.06.2014. The Board of Directors have in their meeting held on 29.05.2014 passed a resolution to reappoint him for a further period of 5 years with effect from 25.06.2014 to 24.06.2019.

Mr K Kandasamy, aged 56, is a Bachelor in Law and holds a Masters Degree in Business Administration and has an overall experience more than 25 years. He has been functioning as Managing Director of Dharani Finance Limited since 1994. Considering his background and experience, the Board of Directors felt that his services could be continued to be utilized for the benefit of the Company for a fresh term.

He has additionally qualified as Insurance agent. This will help the Company in taking up Insurance Business if considered useful. Mr. K. Kandasamy holds 81990 equity shares to the extent of 1.64% of the equity capital of the Company. He is also a Director in Appu Hotels Ltd. Nomination & Remuneration Committee has considered and recommended the appointment and remuneration. The remuneration suggested is well within the limits prescribed under the Act.

Approval of the shareholders is now sought for his reappointment on the terms and conditions as mentioned in the resolution.

Mr K Kandasamy is concerned and is interested in the said resolution as it relates to his own reappointment.

No other Director or Key Managerial Personnel is interested or concerned.

Item No.5

As part of the Company's investment programme, the Company proposes to subscribe to shares of well-known profitable Companies to avail the financial and other benefits. According to Section 186 of the Companies Act 2013, the Company can invest or acquire by way of subscription, purchase or otherwise the securities of any other body corporate exceeding 60% of its paid up capital and free reserves or 100% of its free reserves whichever is lower only with the approval of the shareholders through a special resolution passed in the General Meeting.

Presently the Company's investments are Rs.328 lakhs and is reaching the limit of 60%.

The stock market is in a favourable condition and there is demand for securities of companies that are expected to do well in the coming years due to the improvements expected in the investment climate.

Your Company proposes to buy further shares at the right opportunity subject to an overall limit of Rs.4 Crores. Your Company will be able to arrange necessary funds for this purpose from its own resources.

Accordingly approval of the shareholders is sought for this special resolution. None of the Directors or Key Management Personnel is interested. The Directors commend the resolution to the shareholders for their approval

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Item No.6 to 8

Appointment of Independent Directors

The Company has a total Board strength of 6 directors. Other than the Managing Director, remaining 5 directors are liable to retire by rotation in accordance with Section 256 of the earlier Companies Act, 1956. The Company is also in compliance with Clause 49 of the Listing Agreement by having 3 independent directors representing 50% of the total Board strength. The details are disclosed in the Corporate Governance Report of each year to the shareholders.

With the coming into force of the Companies Act, 2013, your company, being a listed company, has to have at least one-third of the total number of directors as independent directors. Since Clause 49 of the Listing Agreement continues to prescribe a higher ceiling applicable to your company, your Company's minimum of 50% representing the category of independent directors the existing strength of 3 Independent Directors will remain unchanged

Section 149(10) of the Companies Act, 2013 now mandates the appointment of independent director for a fixed tenure up to five consecutive years who are eligible for reappointment for one more term of five years on passing of a Special Resolution by the company. For reckoning these ceilings, any tenure of independent director as on 1st April 2014 shall not be counted.

SEBI by Circular dt.17-04-2014 has advised Stock Exchanges to amend Clause 49 of the Equity Listing Agreement with a view to align them with the new Company Law and in certain areas SEBI has imposed more stringent conditions as well. This inter alia deals with Independent Director applicable from 1st October 2014. In order that our company ensures due compliance with the Companies Act, 2013 and the revised Clause 49 of the Listing Agreement, it is intended to pass requisite resolutions at this AGM for the appointment of independent directors. All the three existing independent directors of the company qualify for being appointed as independent director for tenure of five years from the commencement of Section 149. Accordingly their appointments have been proposed for a fixed tenure from 25th September 2014 (the date of AGM) to 24th September 2019.

Details of independent directors proposed for appointment are furnished in the Annexure pursuant to Clause 49 of the Listing Agreement.

Having regard to the above, the proposal for appointment of independent directors is placed for the consideration of shareholders as under.

Name of the Independent Director	Date of First Appointment	Date of Last re-appointment	Proposed tenure
Mr M Ganapathy	24.08.2005	20.09.2012	25.09.2014 To 24.09.2019
Mr R K Viswanathan	10.05.1990	24.09.2013	
Dr S Muthu	10.11.2010	24.09.2013	

The company has received requisite declaration from each of the above in deference to Section 149(7) that he meets the criteria of independence as provided in Section 149(6) of the Act. It is further confirmed that in the opinion of the Board each of the independent director proposed to be appointed as above fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed director is independent of the management.

The independent directors would be eligible for sitting fee for attending the Board and Committee meetings within the ceiling prescribed by the Act and as determined by the shareholders and the Board.

No Director or Key Managerial Personnel of the Company or their relatives are interested in this item of business financially or otherwise excepting the interest of each of the person above in his / her respective appointment.

By Order of the Board
For Dharani Finance Limited

Place : Chennai – 34
Date : 29.05.2014

N Subramanian
Company Secretary

Details of the Director seeking Appointment / Re appointment at the 24th Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement with Stock Exchanges)

Re -Appointment of Ms Visalakshi Periasamy

Name	Ms Visalakshi Periasamy
Age	67
Qualification	B.B.A
Date of Appointment	10.05.1990
Experience	25 years
Other Directorships	1.Appu Hotels Limited 2. Dharani Credit & Finance (P) Ltd. 3. PGP Hotels & Resorts (I) (P) Ltd 4. PGP Educational & Welfare Society
Member of Committees	Management Committee
No of Shares held in the Company & %	145198 & 2.91%
Inter se Relationship	She is wife of Dr Palani G Periasamy, Chairman

Re-appointment of Mr K Kandasamy

Name	Mr K Kandasamy
Age	57
Qualification	B.A.B.L
Date of Appointment	25.06.1994
Experience	23 years
Other Directorships	1. Appu Hotels Limited 2. PGP Educational & Welfare Society
Member of Committees	Shareholders Grievance Committee
No of Shares held in the Company & %	81990 & 1.64%

Re-appointment of Mr R K Viswanathan

Name	Mr R K Viswanathan
Age	73
Qualification	B.A.,
Date of Appointment	10.05.1990
Experience	25 years
Other Directorships	Nil
Member of Committees	1) Shareholders Grievance Committee (2) Audit Committee (3) Remuneration Committee
No of Shares held in the Company & %	21200 & (0.42)

Re – appointment of Mr M Ganapathy

Name	Mr M Ganapathy
Age	75
Qualification	IFS (Retd)
Date of Appointment	24.08.2005
Experience	10 years
Other Directorships	1. Ananthi Developers Limited
Member of Committees	(1) Shareholders Grievance Committee (2) Audit Committee (3) Remuneration Committee
No of Shares held in the Company & %	Nil

Re – appointment of Dr S Muthu

Name	Dr S Muthu
Age	74
Qualification	B.E.M.Sc., PhD.,
Date of Appointment	10.11.2010
Experience	5 years
Other Directorships	Nil
Member of Committees	(1) Audit Committee (2) Remuneration Committee
No of Shares held in the Company & %	Nil

e- Voting Process

1. The company is pleased to provide members facility to exercise their right to vote at the 24th Annual General Meeting (AGM) by electronic means as required by Clause 35 of the Listing Agreement and Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014.This business would be transacted through e-Voting services provided by Central Depository Services (India) Limited (CDSL).

2. E-Voting commences on Thursday, the 18th September 2014 (10.00 AM) and ends on Saturday, the 20th September 2014 (5.00 PM e-Voting through electronic mode shall not be allowed beyond 5.00 p.m. on 20th September 2014.During this period, shareholders of the company, holding shares as on the record date of 16th August 2014 (Saturday) are entitled tocast their vote electronically.

3. Instructions for e-Voting for members receiving an email from CDSL pursuant to their email IDs having been registered with the company/ Depository Participants:

   (i) User ID and password are required for e-Voting. If you are holding shares in Demat form logged on to www.evotingindia.com and cast your vote earlier for EVSN of any company, then your existing login id and password are to be used. Else, follow clause (v) to (vii) for login.

   (ii) Launch the internet browser during the voting period. Type the URL in the address bar www.e voting india. com. Home screen opens.

   (iii) Click on “Shareholders” tab to cast your vote.

   (iv) Now, select the Electronic Voting Sequence Number - “EVSN” along with “COMPANY NAME” from the drop down menu and click on “SUBMIT”

   (v) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL: 8 Character DP ID followed by 8 Digits Client ID For CDSL: 16 digits beneficiary ID	Folio Number registered with the Company
PAN*	Enter your 10 digit alpha-numeric *PAN (case sensitive) issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

* Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name in block letters and the sequence number (8 digits Printed in the address slip in the PAN field.

  # Please enter any one of the details in order to login.

(vi) After entering these details appropriately, click on “SUBMIT” tab.

(vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach ‘Password Change’ menu wherein they are required to mandatorily change their login password in the new password field.

The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character(@ # $ % & *). Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(viii) Select EVSN (Electronic Voting Sequence number) 140721010 of Dharani Finance Limited.

(ix) On the voting page, you will see Resolution Description and against the same the option "YES/ NO" for voting. Select the option as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

(xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

4. In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the company/ depository participant(s) or requesting physical copy]:

   (i) Please follow all steps from sl. no. (ii) to sl. no. (xii) above, to cast vote.

5. E-voting cannot be exercised by a proxy. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.

6. During the voting period, security holders can login any number of times till they have voted on all the resolutions. They can also decide to vote only on some of the resolutions.

7. A member who has cast his vote by electronic means is not entitled to vote again at the AGM.

8. In case you have any queries or issue regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or send an email to helpdesk.evoting@ cdslindia.com.

9. The voting rights of shareholders shall be in proportion to their shareholding as on the record date i.e., 16th August 2014.

10. Mr M Damodaran, Practicing Company Secretary (Membership No. 005837) has been appointed as the Scrutinizer.

11. The Scrutinizer will not later than 24th September 2014 unblock the votes in the presence of at least two (2) witnesses not in the employment of the company. He will make a Scrutinizer's report of the votes cast in favour or against, if any, forthwith to the Chairman of the company.

12. The results will be declared on or after the AGM of the company. The results declared along with the Scrutinizer's report will be placed on the company's website www.dharanifinance.in and on the website of CDSL www.evotingindia.co.in within two (2) days of passing of the resolutions at the AGM of the company and communicated to NSE and BSE.

DIRECTORS' REPORT

Dear Members,

The Board of Directors present herein the **TWENTY FOURTH** Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2014.

FINANCIAL RESULTS

The Financial results for the year ended 31st March 2014 are briefly as follows: -

(Rs. in Lakhs)

Particulars	**For the year Ended 31.03.2014**	For the year Ended 31.03.2013
Income through Travel Operations, Finance Services and others	**315.80**	298.17
Expenditure (Employee & Administrative Expenses)	**223.50**	244.73
Profit	**92.30**	53.44
Provision for diminution in value of investments	**-**	(7.62)
Depreciation	**67.72**	62.02
Interest & Bank Charges	**0.08**	0.16
Profit /(Loss) after depreciation & Interest	**24.50**	(8.74)
Provision for Income Tax - Current - Deferred	 **4.50** **(13.80)**	 0.24 (6.11)
Profit /(Loss) after Tax	**33.81**	(2.87)
Surplus /(deficit) brought forward	**45.54**	48.41
Profit available for appropriation	**79.35**	45.54
APPROPRIATIONS		
Transfer to Statutory Reserves	**6.76**	-
Proposed Dividend	**-**	-
Dividend Distribution Tax	**-**	
Net Surplus/(Deficit) carried over	**72.59**	45.54

PERFORMANCE

Total income of the Company has marginally gone up from Rs.298.17 lakhs to Rs.315.80 lakhs though income through travel operations has come down from Rs.272.37 lakhs to Rs.198.24 lakhs. Company provides travel services to the guests of the Group's 5 star hotels at Chennai and Coimbatore. Due to contraction of economy worldwide, number of visitors arriving in India has considerably come down resulting in reduced business.

The Company has been able to keep its expenses slightly lower at Rs.223.50 lakhs as compared to the previous year's Rs.244.73 lakhs. The gross profits have increased to Rs.92.30 lakhs from Rs.53.44 lakhs. Sale of long term investments at the appropriate time resulted in a gain of Rs.87.07 lakhs, contributing to the increase in profits. Software services, which the company commenced last year, could not bring in much business. After providing Rs.67.72 lakhs towards depreciation and Rs. 0.08 Lakhs interest etc., net profit comes to Rs.24.50 lakhs as against a loss of Rs. 8.74 lakhs in the previous year.

OUTLOOK

Taking into account the economic situation during 2013-14 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 to be too bright. However, the newly formed 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 like providing advertising agency services with a view to increase its revenues.

DIVIDEND

As the profits for the year are not sufficient enough, your directors regret their inability to recommend any dividend. A sum of Rs. 6.76 lakhs is being transferred to the Statutory Reserves, as required by RBI regulations.

DEPOSITS

The Company does not hold any public deposits as on 31st March 2014. 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.

DIRECTORS

Ms Visalakshi Periasamy retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

Mr M Ganapathy retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.

Mr K Kandasamy whose term of office as Managing Director comes to a close on 24.06.2014 is being reappointed for a further period of 5 years.

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. They have conveyed their consent for reappointment and have furnished the required declaration under Sec.224 of the Companies Act, 1956. Though they have completed two terms of 5 years as on 31.03.2014 as per the New Companies Act, 2013, they can be continued for a further period of 3 years, subject to approval in the Annual General Meeting. Accordingly they are being proposed for appointment.

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 requirements of Corporate Social responsibility as applicable will be introduced from the coming year.

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	2013 –14	2012 –13
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 : 29.05.2014

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 30.05.2013, 12.08.2013, 12.11.2013 and 12.02.2014.

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	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	1	2
6	Dr S Muthu	Non Executive Independent	4	Yes	-	-	1

3. Management Committee

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

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 2013 – 2014, the Audit Committee met four times, on 30.05.2013, 12.08.2013, 12.11.2013 and 12.02.2014.

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.

Remuneration of Directors:

(a) The non-executive Directors are not paid any remuneration except sitting fee 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 2013-14.

(In Rupees)

Name of Directors	Board	Committee
1. Dr Palani G Periasamy	4000.00	-
2. Ms Visalakshi Periasamy	4000.00	-
3. Mr R K Viswanathan	4000.00	6000.00
4. Mr M Ganapathy	4000.00	5000.00
5. Dr S Muthu	4000.00	5000.00

(b)Remuneration Committee met on 29.05.2014 and recommended the following as remuneration payable to Mr.K Kandasamy, Managing Director for the year 2013-14.

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

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 30.05.2013.

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 2013 –2014.	2 (Two Only)
Pending complaints as on 31.03.2014	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
2012 – 2013	Narada Gana Sabha New No.314 TTK Road Alwarpet, Chennai 600 018	**24.09.2013**	**10.00 A.M**
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**

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 Agreements 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 any personnel to approach the Audit Committee on any issue. 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 Directors' report.

The Company has laid down definite 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.

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 at liberty to change their instructions from time to time.

The Company earnestly appeals to all its share holders 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	25th September 2014 at 10.00 A.M Mini Hall, Narada Gana Sabha, New No. 314 TTK Road, Alwarpet, Chennai 600 018		
ii. Financial Year	April 2013 – March 2014		
iii. Date of Book Closure	20th September 2014 to 25th September 2014 (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 – 2013	5.77	4.30
	May – 2013	4.34	3.85
	June – 2013	3.69	3.40
	July – 2013	3.49	3.00
	August – 2013	5.22	3.00
	September – 2013	5,80	3.56
	October – 2013	5.55	3.25
	November – 2013	5.38	4.66
	December – 2013	4.60	4.03
	January – 2014	4.44	3.70
	February – 2014	4.21	3.44
	March – 2014	4.50	4.12

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. Category of Shareholding Pattern as on 31st March 2014

Sl.No	Category	No of Shares	%
1	Promoter & Promoter Group	1376343	27.56
2	Mutual Funds and UTI	0	0
3	Banks, Financial Institutions, Insurance Companies (Central/ State Government Institutions/ Non Government Institutions)	0	0
4	Bodies Corporate	34326	0.69
5	Indian Public	3424069	68.56
6	NRIs/OCBs	139719	2.80
7	Others (Clearing Member/ HUF/Trust/)	19943	0.39
	Total	4994400	100.00

b. Distribution of Shareholdings

Shareholding of Nominal Value of Rs.	Shareholders		Shares in Amount	
	Number	%	In Rs.	%
Upto – 5000	15788	95.92	21093290	42.23
5001 – 10000	421	2.55	3374990	6.76
10001 – 20000	121	0.74	1747110	3.50
20001 – 30000	48	0.30	1180270	2.36
30001 – 40000	19	0.11	687650	1.38
40001 – 50000	8	0.05	360110	0.72
50001 – 100000	19	0.12	1520920	3.05
100001 – and above	35	0.21	19979660	40.00
Total	16459	100.00	49944000	100.00

c. 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 Rs.	
2007-08	5	10.10.2008	5992	449376.00	31.10.2015
2009-10	5	01.10.2010	6406	490040.00	11.10.2017
2010-11	5	20.10.2011	7105	558242.50	30.10.2018
2011-12	7	15.10.2012	7356	818113.00	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 will enable 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 31.03.2014, 2805769 Shares constituting 56.18% have been dematerialised.

	No of Shares	**% of Shares**
National Securities Depository Limited	2456890	49.19
Central Depository Services (I) Ltd	348879	6.99
Total	**2805769**	**56.18**

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 nomintion 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 Listing Agreement.

We have reviewed financial statements and the cash flow statement for the year 2013-14 and that to the best of our knowledge and belief:

a) 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.

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

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 2014, 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 : 29/05/2014

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, 2014, 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"). (which continue to be applicable in terms of the General Circular no 15/2013 dated 13th September 2013 of the MCA in respect of section 133 of the Companies Act, 2013.)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 appropriates 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, 2014

(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 this Report are in agreement with the books of ac count;

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; (which continue to be applicable in terms of the General Circular no 15/2013 dated 13th September 2013 of the MCA in respect of section 133 of the Companies Act, 2013.)

e. On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

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

Place: Chennai
Date : 29/05/2014

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, 2014. 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 re cords 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 neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of Companies Act, 1956. Accordingly, the provisions of sub claused (b),(c),(d),(f) and (g) of the clause (iii) of paragraph 4 of Companies (Auditors Report) Amendment order, 2004 are not applicable to the Company.

4. In our opinion, and according to the infor mation 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.

5. In our opinion, and according to the information and explanations given to us, the transactions that need to be entered in the register in pursuanceof 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.

6. 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.

7. 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.

8. 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.

9. 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 2014 for a period of more than six months from the date they became payable.

10. 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.

11. The Company has not defaulted in repayment of dues to Bank / financial institution in terms of clause 4 (xii) of the order.

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 -----				

12 According to the information and explanations given to us, the Company has not given any loans and advances on the basis of security by way of pletge of shares, debentures and other securites.

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 prefer ential allotment of shares to parties and companies covered in the register main tained 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 : 29/05/2014

Balance Sheet as at March 31, 2014

(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No	As at 31/03/2014	As at 31/03/2013
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	**4,99,72,000**	4,99,72,000
(b) Reserves and surplus	4	**1,74,05,863**	1,40,25,162
		6,73,77,863	6,39,97,162
(2) Non-current liabilities			
(a) Long Term Borrowings	-	**-**	-
(b) Deferred tax liability (net)	-	**-**	-
(c) Other long term liabilities	5	**2,73,600**	2,63,100
(d) Long term Provisions	6	**13,31,161**	13,94,250
		16,04,761	16,57,350
(3) **Current liabilities**			
(a) Short Term Borrowings	-	**-**	
(b) Trade payables	-	**-**	-
(c) Other current liabilities	7	**44,41,560**	37,66,817
(d) Short Term Provisions	8	**3,56,814**	4,42,840
		47,98,374	42,09,657
TOTAL		**7,37,80,998**	6,98,64,169
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
(I) Tangible assets	9	**24,72,086**	42,98,609
(II) Intangible assets	-	**-**	-
(III) Capital Work in Progress	-	**-**	-
(b) Non-current investments	10	**2,90,14,513**	2,71,29,982
(c) Deferred tax assets (net)	-	**38,54,963**	24,74,473
(d) Long-term loans and advances	11	**15,56,606**	2,08,606
(e) Trade Receivables	12	**-**	2,43,817
(f) Cash and cash equivalents	13	**-**	28,22,854
		3,68,98,168	3,71,78,341
(2) Current assets			
(a) Current investments		**-**	-
(b) Trade receivables	12	**1,75,72,940**	1,75,52,714
(c) Cash and cash equivalents	13	**1,84,93,296**	1,03,31,117
(d) Short-term loans and advances	11	**7,67,270**	46,80,610
(e) Other current assets	14	**49,324**	1,21,387
		3,68,82,830	3,26,85,828
Total		**7,37,80,998**	6,98,64,169

Summery of significant accounting polices 2
The accompanyang notes are an integral part of the financial statments 21
As per our report of even date.

For K.RAMKRISH & CO.,
Firm registration number: 003017S
Chartered Accountants
per S.BASKAR SHRINIVAS
Partner
Membership No.: 209004
Place : Chennai
Date : 29/05/2014

On behalf of the Board of Directors

N.SUBRAMANIAN	**K KANDASAMY**	**DR PALANI G PERIASAMY**
Company Secretary	Managing Director	Chairman

Statement of Profit & Loss for the year ended March 31, 2014

(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No	For the Year Ended 31/03/2014	For the Year Ended 31/03/2013
REVENUE			
Revenues from operations	15	**2,09,87,473**	2,93,38,715
Other income	16	**1,05,92,957**	4,78,279
Total Revenue		**3,15,80,430**	2,98,16,994
EXPENSES			
Costs of Revenues			
Employee benefits expense	17	**1,02,33,281**	89,75,150
Other expenses	18	**1,21,16,748**	1,54,97,867
Total Expenses		**2,23,50,029**	2,44,73,017
Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)		**92,30,401**	53,43,977
Depreciation and amortization expense	19	**67,72,156**	62,01,667
Finance costs	20	**8,034**	15,810
Profit/(loss) before tax		**24,50,211**	(8,73,500)
Tax Expenses			
Current tax	-	**4,50,000**	24,000
Deferred tax	-	**(13,80,490)**	(6,10,831)
Total Tax Expenses	**-**	**(9,30,490)**	(5,86,831)
Profit / (Loss) after tax	**-**	**33,80,701**	(2,86,669)
Earnings per equity share			
(a) Basic	-	**0.68**	(0.06)
(a) Diluted	-	**0.68**	(0.06)

Summery of significant accounting polices 2
The accompanyang notes are an integral part of the financial statments 21
As per our report of even date.

For **K.RAMKRISH & CO.,**
Firm registration number: 003017S
Chartered Accountants per

For and 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
Date : 29/05/2014

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 31.03.2014 is given below

(Rs.in Lakhs)

DESCRIPTION	ASSET
Timing Difference in Depreciable Asset	31.60
Timing difference in Provision against NPA	0.74
Timing Difference in Provision for Bonus	1.36
Timing Difference in Provision for Gratuity & Leave Encashment	4.84
Total	**38.54**
Net Deferred Tax Asset	**38.54**

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 2014
INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS

(Rs. in Lakhs

PARTICULARS	FINANCIAL SERVICES	TRAVEL OPERATIONS	EXPORT SERVICES	UNALLOCATED	TOTAL
REVENUE Financial Services	11.71	-	-	-	11.71
Travel Operation	-	198.24	-	-	198.24
Export Services	-	-	-	-	-
Other Income	104.19	1.67	-	-	105.86
Total Revenue	115.90	199.91	-	-	315.81
RESULT Segment Result	30.06	(5.56)	-	-	24.50
Unallocated Corporate Expenses	-	-	-	-	-
Operating Profit	-	-	-	-	24.50
Interest Expenses	-	-	-	-	-
Interest Income	-	-	-	-	-
Income Taxes	-	-	-	(9.30)	(9.30)
Profit from Ordinary Activities	-	-	-	-	33.80
Extra Ordinary items	-	-	-	-	-
NET PROFIT / (LOSS)	30.06	(5.56)	-	9.30	33.80
OTHER INFORMATION Segment Assets	422.18	252.30	-	-	674.48
Unallocated Corporate assets	-	-	-	24.77	24.77
Total assets	422.18	252.30	-	24.77	699.25
Segment Liabilities	7.41	23.36	2.80	-	33.57
Unallocated Corporate liabilities	-	-	-	32.33	32.33
Total liabilities	7.41	23.36	2.80	32.33	65.90
Capital Expenditure	-	-	-	-	-
Depreciation	1.86	65.86	-	-	67.72
Non-cash expenses other than depreciation	-	-	-	-	-

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

3 SHARE CAPITAL

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

Particulars	**31/03/2014**	31/03/2013
Authorized shares 50,00,000 Equity Shares of Rs.10/- each (Previous Year - 50,00,000 Equity Shares of Rs.10/- each)	**5,00,00,000**	5,00,00,000
Issued & Subscribed Share Capital 49,94,400 Equity shares of Rs.10/- each (Previous year - 49,94,400 Equity shares of Rs.10/- each)	**4,99,44,000**	4,99,44,000
Paid up Share Capital 49,94,400 Equity shares of Rs.10/- each (Previous year - 49,94,400 Equity shares of Rs.10/- each)	**4,99,44,000**	4,99,44,000
Add: Equity shares forfeited (paid up)	**28,000**	28,000
Total	**4,99,72,000**	4,99,72,000

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

Equity shares	**31/03/2014**		31/03/2013	
At the beginning of the period	**No.**	**Amount**	No.	Amount
	49,94,400	**4,99,44,000**	49,94,400	4,99,44,000
Issued during the period	**-**	**-**	-	-
Outstanding at the end of the period	**49,94,400**	**4,99,44,000**	49,94,400	4,99,44,000

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 2014, the amount of per share dividend recognized as distributions to equity shareholders was Rs.NIL (31 March 2013: Rs. NIL).

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	**31/03/2014**		31/03/2013	
Equity shares with voting rights	**No of shares held**	**% holding in the class of shares**	No of shares held	% holding in the class of shares
Dr. Palani G Periasamy	**3,53,112**	**7.07**	3,53,112	7.07

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31/03/2014	As at 31/03/2013
4 RESERVES & SURPLUS		
Securities Premium Account	**-**	-
Statutory Reserve		
Balance as per the last financial statements	**94,70,725**	94,70,725
Add: Amount transferred from surplus balance in the statement of profit and loss	**6,76,140**	-
Closing Balance - (A)	**1,01,46,865**	94,70,725
Surplus/(deficit) in the statement of profit and (loss)		
Balance as per last financial statements	**45,54,437**	48,41,106
Profit/(loss) for the year	**33,80,701**	(2,86,669)
Less: Appropriations	**-**	-
Transfer to general reserve	**-**	-
Provision for Standard Assets	**-**	-
Transfer to statutory reserve	**(6,76,140)**	-
Net surplus/(deficit) in the Statement of Profit and Loss - (B)	**72,58,998**	45,54,437
Total Reserves & Surplus	**1,74,05,863**	1,40,25,162

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31/03/2014	As at 31/03/2013
5. OTHER LONG TERM LIABILITIES		
Trade Payables	**-**	-
Others (Deposits)	**2,73,600**	2,63,100
Total	**2,73,600**	2,63,100
6. PROVISIONS		
Provision for Gratuity	**12,61,494**	11,26,812
Provision for compensated absences	**20,518**	1,64,365
Provision for income tax (Net off Advance tax)	**-**	60,085
Contingent Provision against Standard Assets	**49,149**	42,988
Total	**13,31,161**	13,94,250
7. OTHER CURRENT LIABILITIES		
Unpaid / unclaimed dividends	**22,63,220**	22,77,580
Statutory Payables	**1,49,126**	1,22,194
Accrued Expenses	**20,29,214**	13,67,043
Total	**44,41,560**	37,66,817
8. SHORT TERM PROVISIONS		
Provision for employee benefits:		
(i) Provision for gratuity (net)	**1,58,735**	3,90,935
(ii) Provision for compensated absences	**1,82,850**	51,905
Provision for income tax (Net off Advance tax)	**15,229**	-
Total	**3,56,814**	4,42,840

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

9 Tangible assets (Owned)

DESCRIPTION	Plant and Machinery	Furniture & Fixtures	Motor Vehicles	Office Equipments	Total
Cost or valuation					
At 1 April 2012	3,61,92,521	28,62,890	3,57,46,221	23,49,286	7,71,50,918
Additions	-	-	20,96,075	12,05,006	33,01,081
Disposals	-	-	-	-	-
At 31 March 2013	**3,61,92,521**	**28,62,890**	**3,78,42,296**	**35,54,292**	**8,04,51,999**
Additions	-	50,000	48,89,616	6,015	49,45,631
Disposals	-	-	21,02,191	-	21,02,191
At 31 March 2014	**3,61,92,521**	**29,12,890**	**4,48,34,103**	**35,60,307**	**8,74,99,821**
Depreciation					
At 1 April 2012	1,10,47,874	28,62,890	2,87,26,773	21,69,539	4,48,07,076
Charge for the year	-	-	60,29,840	1,71,827	62,01,667
Disposals	-	-	-	-	-
At 31 March 2013	**1,10,47,874**	**28,62,890**	**3,47,56,613**	**23,41,366**	**5,10,08,743**
Charge for the year	-	1,846	65,86,078	1,84,231	67,72,156
Disposals	-	-	21,02,189	-	21,02,189
At 31 March 2014	**1,10,47,874**	28,64,736	4,34,44,880	25,25,597	5,98,83,087
Impairment					
At 1 April 2012	**2,51,44,647**	-	-	-	2,51,44,647
Charge for the year	-	-	-	-	-
	-	-	-	-	-
At 31 March 2013	**2,51,44,647**	**-**	**-**	**-**	**2,51,44,647**
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
At 31 March 2014	**2,51,44,647**	**-**	**-**	**-**	**2,51,44,647**
Net Block					
At 31 March 2013	-	-	**30,85,683**	**12,12,926**	**42,98,609**
At 31 March 2014	-	**48,154**	**13,89,223**	**10,34,710**	**24,72,086**

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31/03/2014	As at 31/03/2014
10.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 (v) of other entities	**-**	-
Dharani Sugars and Chemicals Ltd. 248039 Shares @ Rs.31.96 each (PY: 248039 Shares @ Rs.31.96 each) (Market Value - Rs. 5816514.55)	**79,25,845**	79,25,845
South Indian Bank Ltd. 17120 Shares @ Rs.5.28 each (PY: 17120 Shares @ Rs.5.28 each) (Market Value - Rs. 380920/-)	**90,394**	90,394
Maruti Industrial Carbo Hydrates 600 Shares @ Rs.10/- each (PY: 600 Shares @ Rs.10/- each) (Market Value - Rs. Nil)	**6,000**	6,000
Indbank Merchant Bank Services Ltd. 5000 Shares @ Rs.43.50 each (PY: 5000 Shares @ Rs.43.50 each) (Market Value - Rs. 21000/-)	**2,17,500**	2,17,500
Sri Nachammai Cotton Mills Ltd. 700 Shares @ Rs.70/- each (PY: 700 Shares @ Rs.70/- each)\ (Market Value - Rs. 14140/-)	**49,000**	49,000
Central Bank of India Ltd. 1322 Shares @ Rs.102/- each (PY: 1322 Shares @ Rs.102/- each) (Market Value - Rs. 65901.70)	**1,35,479**	1,35,479
Harig Crank Shafts Ltd. 5000 Shares @ Rs.4.36 each (PY: 5000 Shares @ Rs.4.36 each) (Market Value - Rs. 4000/-)	**21,808**	21,808
Bank of India 1000 Shares @ Rs.434.39 each (PY: 1000 Shares @ Rs.434.39 each) (Market Value - Rs. 228500/-)	**4,34,390**	4,34,390

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31/03/2014	As at 31/03/2013
Canara Bank 700 Shares @ Rs.228.01 each (PY: 700 Shares @ Rs.228.01 each) (Market Value - Rs. 185045/-)	**1,59,606**	1,59,606
Corporation Bank 500 Shares @ Rs.286.99 each (PY: 500 Shares @ Rs.286.99 each) (Market Value - Rs. 138450/-)	**1,43,497**	1,43,497
HDFC Bank 20729 Shares @ Rs.617.14 each (PY - 24845 shares @ Rs. 352.30 each) (Market Value - Rs. 15521875.20)	**1,27,92,607**	87,52,809
HDFC Ltd 355 Shares @ Rs.717.59 each (PY: 355 Shares @ Rs.717.59 each) (Market Value - Rs. 311104.25)	**2,54,745**	2,54,745
IDFC 7000 Shares @ Rs.181.88 each (PY: 7000 Shares @ Rs.181.88 each) (Market Value - Rs. 855750/-)	**12,73,125**	12,73,125
LARSEN & TOUBRO 1075 Shares @ Rs.910.92 each (PY - 2050 shares @ Rs. 1283.28 each) (Market Value - Rs. 1355575/-)	**9,79,237**	26,30,717
RELIANCE INDUSTRIES 3124 Shares @ Rs.1,139.91 each (PY: 3124 Shares @ Rs.1,139.91 each) (Market Value - Rs. 2907663/-)	**35,61,083**	35,61,083
STATE BANK OF INDIA 1100 Shares @ Rs.1812.62 each (PY - 700 shares @ Rs. 1968.78 each) (Market Value - Rs. 2109470/-)	**19,93,878**	13,78,146
TATA MOTORS 1160 Shares @ Rs.222.56 each (PY: 1160 Shares @ Rs.222.56 each) (Market Value - Rs. 462437/-)	**2,58,166**	2,58,166
SATYAM COMPUTERS (PY - 5000 shares @ Rs. 80.07 each)	**-**	4,00,373
Total	**3,02,96,359**	2,76,92,683

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31/03/2014	As at 31/03/2013
INVESTMENT IN MUTUAL FUNDS		
LIC Nomura Mutual Fund Equity Fund 62063.818 Units @ Rs.26.93 each LIC Mutual Fund Top 100 Fund (PY - 2,00,000 units @ Rs.10 each) (Market Value Rs.18,88,081.65)	**16,71,360**	20,00,000
UTI Infra structure fund - Growth Plan 25,462.687 Units @ Rs.33.50 each (PY: 25,462.687 Units @ Rs.33.50 each) (Market Value - Rs. 762599.84)	**8,53,000**	8,53,000
	25,24,360	28,53,000
Total - Trade (A)	**3,28,20,719**	3,05,45,683
(B) Other Investments	**-**	-
Total - Other Investments (B)	**-**	-
Total Investments (A + B)	**3,28,20,719**	3,05,45,683
Less: Provision for dimunition in value of Investments	**38,06,206**	34,15,701
Total	**2,90,14,513**	2,71,29,982
Aggregate value of listed but not quoted investments	**6000**	6000
Aggregate amount of unquoted investments	**-**	-
Aggregate amount of quoted investments	**3,28,14,719**	3,05,39,683
Aggregate market value of listed and quoted investments	**3,30,29,023**	3,51,16,032

11 LOANS AND ADVANCES	**Non - Current**		**Current**	
	31/03/2014	31/03/2013	**31/03/2014**	31/03/2013
(A) Capital advances				
Secured, considered good				
Unsecured, considered good	**-**	-	**-**	-
Doubtful	**-**	-	**-**	-
Provision for doubtful advances	**-**	-	**-**	-
Total (A)	**-**	-	**-**	-
(B) Security deposit				
Secured, considered good	**2,08,606**	2,08,606		
Unsecured, considered good	**-**	-	**-**	**-**
Doubtful	**-**	**-**	**-**	-
Total (B)	**2,08,606**	2,08,606	**-**	-

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

	Non-Current		Current	
Particulars	**31/03/2014**	31/03/2013	**31/03/2014**	31/03/2013
LOANS AND ADVANCES (Contd.,)				
Loans & advances to related parties				
Secured, Considered good	**-**	-	**-**	-
Unsecured, Considered good	**-**	-	**-**	-
Doubtful	**-**	-	**-**	-
	-	-	**-**	-
Less: Allowances for bad and doubtful debts	**-**	-	**-**	-
Total (C)	**-**	-	**-**	-
Loans and advances to employees				
Secured, considered good			**9,000**	3,400
Unsecured, considered good	**-**	-	**-**	-
Doubtful	**-**	-	**-**	-
	-	-	**9,000**	3,400
Less: Provision for doubtful loans and advances	**-**	-	**-**	-
Total (D)	**-**	-	**9,000**	3,400
Advance income tax (net of provisions)	**13,48,000**	-	**-**	14,08,084
Total (E)	**13,48,000**	-	**-**	14,08,084
Balances with government authorities				
Unsecured, considered good				
(i) CENVAT credit receivable	**-**	-	**-**	-
(ii) VAT credit receivable	**-**	-	**-**	-
(iii) Service Tax credit receivable	**-**	-	**-**	-
Total (F)	**-**	-	**-**	-
Other loans and advances - Vehicles				
Secured, considered good	**-**	-	**7,58,270**	32,69,126
Unsecured, considered good	**-**	-	**-**	-
Doubtful	**2,16,797**	2,16,797	**-**	-
	2,16,797	2,16,797	**7,58,270**	32,69,126
Less: Provision for other doubtful loans and advances	**2,16,797**	2,16,797	**-**	-
Total (G)	**-**	-	**7,58,270**	32,69,126
TOTAL (A+B+C+D+E+F+G)	**15,56,606**	2,08,606	**7,67,270**	46,80,610

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

	Non-current		Current	
Particulars	**31/03/2014**	31/03/2013	**31/03/2014**	31/03/2013
12 TRADE RECEIVABLES				
Outstanding for a period exceeding six months from the date they are due for payment				
- Secured, Considered good	**-**	-	**58,56,592**	4,90,939
- Unsecured, Considered good	**-**	-	**-**	-
- Considered doubtful	**-**	-	**-**	-
	-	-	**58,56,592**	4,90,939
Provision for doubtful receivables	**-**	-	**-**	-
Total (A)	**-**	-	**58,56,592**	4,90,939
Other receivables				
- Secured, Considered good	**-**	-	**1,00,23,299**	1,54,55,315
- Unsecured, considered good	**-**	-	**-**	-
- Considered doubtful	**-**	-	**-**	-
	-	-	**1,00,23,299**	1,54,55,315
Provision for doubtful receivables	**-**	-	**-**	-
Total (B)	**-**	-	**1,00,23,299**	1,54,55,315
Stock on Hire				
Secured, Considered good	**-**	2,43,817	**16,93,048**	16,06,460
Unsecured, Considered good	**-**	-	**-**	-
Doubtful	**-**	-	**-**	-
	-	2,43,817	**16,93,048**	16,06,460
Provision for doubtful receivables	**-**	-	**-**	-
Total (C)	**-**	2,43,817	**16,93,048**	16,06,460
TOTAL (A+B+C)	**-**	2,43,817	**1,75,72,940**	1,75,52,714
13 CASH AND CASH EQUIVALENTS				

	Non-current		Current	
Particulars	**31/03/2014**	31/03/2013	**31/03/2014**	31/03/2013
(A) Balances with banks				
(i) Earmarked Bank Balances	**-**	-	**22,68,220**	22,82,580
(ii) Bank balances held as margin money or as security deposit				
(iii) Other bank balances	**-**	-	**1,28,05,112**	63,30,764

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

	Non-current		Current	
Particulars	**31/03/2014**	31/03/2013	**31/03/2014**	31/03/2013
(B) Deposits with original maturity for more than 12 months	**-**	28,22,854	**33,36,683**	16,61,308
(C) Cash on hand	**-**	-	**83,281**	56,465
(D) Others	**-**	-	**-**	-
TOTAL (A+B+C+D)	**-**	28,22,854	**1,84,93,296**	1,03,31,117
14 OTHER CURRENT ASSETS				
Interest accrued on Deposits	**-**	-	**-**	47,588
Other Advance	**-**	-	**49,324**	73,799
TOTAL	**-**	-	**49,324**	1,21,387

Particulars	**For the year ended 31/03/2014**	For the year ended 31/03/2013
15 INCOME FROM OPERATIONS		
Income from Financial services	**1,60,553**	9,62,478
Income from Travel Operations	**1,98,23,883**	2,72,37,999
Interest Income	**10,03,038**	10,05,016
Income from Export	**-**	1,33,222
Total	**2,09,87,473**	2,93,38,715
16 OTHER INCOME		
Dividend from Long Term Investments	**5,63,704**	4,78,279
Gain on Sale of Investments (Net)	**87,07,352**	-
Profit on Sale of Asset	**1,67,250**	-
Training fees	**11,54,650**	-
Total	**1,05,92,957**	4,78,279
17 EMPLOYEE BENEFITS EXPENSES		
Salaries and allowances	**80,84,809**	66,47,528
Contributions to PF, ESI and Other funds	**5,22,921**	7,05,526
Staff welfare expenses	**1,58,196**	1,17,975
Directors Remuneration	**14,67,355**	15,04,121
Total	**1,02,33,281**	89,75,150

Notes to Financial Statements for the year ended March 31, 2014 Contd.,
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	For the year ended 31/03/2014	For the year ended 31/03/2013
18 OTHER EXPENSES		
Rent and Electricity	**6,37,211**	5,65,647
Insurance	**9,95,088**	7,77,771
Rates & Taxes	**26,836**	57,018
Postage and Telephone	**3,85,712**	4,37,095
Audit Fees	**67,416**	66,180
Legal professional & consultancy charges	**2,71,931**	2,30,981
Advertisement, publicity and sales promotion	**4,54,463**	5,48,268
Adjustment to carrying amount of investments	**3,90,507**	(7,61,898)
Contingent provision against Standard Assets	**6,161**	13,170
Directors' sitting fees	**36,000**	34,000
Vehicle Maintenance	**73,46,076**	1,20,03,036
Repairs and Maintenance	**33,173**	23,415
Miscellaneous expenes	**14,66,175**	15,03,184
TOTAL	**1,21,16,748**	1,54,97,867
Payment to auditor		
As auditor:		
Audit fee	**60,000**	60,000
Limited review	**-**	
Service Tax	**7,416**	6,180
In other capacity:		
Other services (certification fees)	**-**	-
Reimbursement of expenses	**-**	-
TOTAL	**67,416**	66,180
19 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of tangible assets	**67,72,156**	62,01,667
TOTAL	**67,72,156**	62,01,667
20 FINANCE COSTS		
Bank charges	**8,034**	15,810
Other Borrowing costs	**-**	-
TOTAL	**8,034**	15,810

Notes on Acounts

Note 21

21.1. 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.

21.2. Expenditure on Employees	**2013-2014**	2012-2013
(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
21.3. (a) Expenditure in Foreign currency	**NIL**	NIL
(b) Earnings in Foreign Exchange	**NIL**	NIL

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

21.5. 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.

21.6. Managerial Remuneration

Managing Director		**2013-2014 Rs.**	2012-2013 Rs.
i	Salary	**10,20,000**	10,20,000
ii	Rent	**90,000**	90,000
iii	LeaveTravel Allowance	**-**	-
iv	Perquisites	**-**	-
v	Contribution to PF	**1,22,400**	1,22,400
vi	Gratuity	**(3,041)**	33,725
vii	Superannuation	**1,53,000**	1,53,000
viii	Medical Reimbursements	**84,996**	84,996
		14,67,355	15,04,121

Notes on Acounts..., Contd.,

21.7. 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 Ms. Visalakshi Periasamy – Director Mr.K Kandasamy – Managing Director

(b) Aggregated Related Party transactions during 2013-2014

Value in Lakhs

	Associate Companies	**Key Management Personnel**
Remuneration paid to	NIL	14.67
Rent for Premises paid to	0.60	3.85
Sitting Fees Paid to	NIL	0.08
Interest received on ICD	NIL	NIL
Inter Corporate Deposit Given	NIL	NIL
Services rendered to (air ticket Sales & car rentals)	211.99	NIL
Outstanding as on 31.03.2014 against services rendered during the year.	147.45	NIL

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

21.9. Disclosure as per AS – 15 (Revised) 'Employee benefits' for the year ended 31.03.2014

Description of Benefits Plan	**Unfunded Gratuity**
Present value of projected benefit obligations	14,20,229/-
A) Actuarial assumptions	**31.03.2014**
Discount rate	9%
Salary escalation rate	6%
Attrition Rate	10%

The present value of obligation towards compensated absences, as per actuarial certificate, as on 31.03.2014 was Rs.2,03,368/- and is provided for in the books of accounts.

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

(Rs. in Lakhs)

Particulars	**2013-2014**	2012-2013
Loans & Advances	2.17	2.17
Total	2.17	2.17

21.11. Earnings Per Share:	**2013-2014**	2012-2013
a) Net Profit/(Loss) as per Profit & Loss Account (Rs.in Lakhs)	33.81	(2.87)
b) No. of Equity Shares	4994400	4994400
c) Earnings per Share (in Rupees)	0.68	(0.06)

21.12. Dues to Small- Scale Industrial undertakings

The company has no outstanding dues to small-scale industrial undertakings as on 31st March 2014 and 31st March 2013.

Signatories to Notes 1 to 21

For K.RAMKRISH & CO.,
Chartered Accountants
(Registration # 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 # 209004			

Place: Chennai
Date : 29/05/2014

Schedule to the Balance Sheet for the year ended 31st March 2014 (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).

(Rs. in Lakhs)

Sl. No.	Particulars	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 (other than falling within the meaning of public deposits *)	Nil	Nil
	(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 :-**		
	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
	(a) Secured	Nil	
	(b) Unsecured	169.13	
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	16.93	
	(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	

Sl. No.	Particulars	(Rs. in Lakhs) Amount Outstanding
4	**Break-up of Investments Current Investments :**	
	1. Quoted :	
	(i) Shares :	
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (please specify)	Nil
	2. Unquoted :	
	(i) Shares :	Nil
	(a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (please specify)	
	Long Term investments :	
	1. Quoted :	
	(i) Shares :	
	(a) Equity	302.90
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	25.24
	(iv) Government Securities	Nil
	(v) Others (please specify)	Nil
	2. Unquoted :	
	(i) Shares :	
	(a) Equity	0.06
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) 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	155.57	155.57
	2. Other than related parties	16.93	13.56	30.49
	Total	16.93	169.13	186.06

Sl. No.	Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
6	1. Related Parties		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	58.17	79.26
	2. Other than related parties	272.13	248.95
	Total	330.29	328.21

Sl. No.	Particulars	Amount
	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, 2014

Particulars	For the year ended 31 March, 2014 (Rs. in Lakhs)		For the year ended 31 March, 2013 (Rs. in Lakhs)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		**24.50**		(8.74)
Adjustments for:				
Depreciation and amortisation	**67.72**		62.02	
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	**(1.67)**		-	
Expense on employee stock option scheme				
Finance costs	**0.08**		0.16	
Interest income	**-**		-	
Dividend income	**(5.64)**		(4.78)	
Net (gain) / loss on sale of investments	**(87.07)**		-	
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	**3.91**		(7.62)	
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	**0.06**		0.13	
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss		**(22.61)**		49.90
Operating profit / (loss) before working capital changes		**1.89**		41.17
Changes in working capital:				
Adjustments for increase / (decrease) in operating liabilities:				
Inventories	**-**		23.88	
Trade receivables	**2.24**		(39.38)	
Short-term loans and advances	**34.63**		17.85	
Long-term loans and advances	**(13.48)**		8.95	
Other current assets	**0.72**	**24.11**	0.34	10.96
Other non-current assets	**-**	**-**	-	-
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	**-**		(16.68)	
Other current liabilities	**6.75**		14.08	
Other long-term liabilities	**0.11**		0.19	
Short-term provisions	**(0.86)**		1.00	
Long-term provisions	**(0.69)**	**5.30**	1.64	0.23
		31.30		52.36
Cash flow from extraordinary items		**-**		-
Cash generated from operations		**31.30**		52.36
Net income tax (paid) / refunds		**-**		-
Net cash flow from / (used in) operating activities (A)		**31.30**		52.36

Cash Flow Statement for the year ended 31 March, 2014 (Contd.)

Particulars	For the year ended 31 March, 2014 (Rs. in Lakhs)		For the year ended 31 March, 2013 (Rs. in Lakhs)	
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	**(49.46)**		(33.01)	
Proceeds from sale of fixed assets	**1.67**		-	
Inter-corporate deposits (net)				
Bank balances not considered as Cash and cash equivalents				
- Placed	**(33.37)**		(44.84)	
- 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	**(119.41)**		(28.65)	
Proceeds from sale of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others	**183.73**			
Loans given				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Loans realised				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others	**-**		-	

Cash Flow Statement for the year ended 31 March, 2014 (Contd.)

Particulars	**For the year ended 31 March, 2014 (Rs. in Lakhs)**		For the year ended 31 March, 2013 (Rs. in Lakhs)	
Dividend received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others	**5.64**		4.78	
Rental income from investment properties				
Rental income from operating leases				
Amounts received from partnership firms				
Amounts received from AOPs				
Amounts received from LLPs				
Cash flow from extraordinary items	**-**	**(11.19)**		(101.72)
				-
Net income tax (paid) / refunds		**(11.19)**		(101.72)
		-		-
Net cash flow from / (used in) investing activities (B)		**(11.19)**		(101.72)
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	**(0.08)**		(0.16)	
Dividends paid	**-**		(34.98)	
Tax on dividend	**-**		(5.67)	
		(0.08)		(40.81)
Cash flow from extraordinary items				
Net cash flow from / (used in) financing activities (C)		**(0.08)**		(40.81)

Cash Flow Statement for the year ended 31 March, 2014 (Contd.)

Particulars	For the year ended 31 March, 2014 (Rs. in Lakhs)		For the year ended 31 March, 2013 (Rs. in Lakhs)	
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**20.03**		(90.17)
Cash and cash equivalents at the beginning of the year		**131.54**		176.87
Effect of exchange differences on restatement of foreign currency.				
Cash and cash equivalents at the end of the year		**151.57**		86.70

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.

See accompanying notes forming part of the financial statements

In terms of our report attached.

For K. Ramkrish & Co

Firm Regn No : 003017S

Chartered Accountants

For and 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

Date : 29/05/2014

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of M/s. DHARANI FINANCE LIMITED for the year ended 31st March 2014. The Statement has been Prepared by the Company in accordance with the listing requirments of the Stock Exchange and is based on and derived from the audited accounts of the company for the year ended 31st March 2014.

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

S. BASKAR SHRINIVAS
Partner
Membership # 209004

Place : Chennai
Date : 29/05/2014

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 hareby 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. Offic : "PGP House" No.57, Sterling Road, Nungambakkam, Chennai - 600 034.
CIN – L65191TN1990PLC019152, Phone Nos. 044-2831 1313, 2825 4176, Fax No. 044 – 2823 2074
Email: secretarial@dharanifinance.in , Website : www.dharanifinance.in

ADMISSION SLIP

To be handed over at entrance of Meeting Hall

Folio No. / ID No. : _____ Shares : _____

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company, at Narada Gana Sabha, Mini Hall, No 314, TTK Road, Alwarpet, Chennai - 600 018. at 10.00 a.m, on Thursday, 25th September 2014.

Name of the sharholder / proxy*	Signature of the sharholder / proxy*

*Strike Out whichever is not applicable.

DHARANI FINANCE LIMITED

Regd. Offic : "PGP House" No.57, Sterling Road, Nungambakkam, Chennai - 600 034.
CIN – L65191TN1990PLC019152, Phone Nos. 044-2831 1313, 2825 4176, Fax No. 044 – 2823 2074
Email: secretarial@dharanifinance.in , Website : www.dharanifinance.in

PROXY FORM

Folio No. / ID No. : _____
I / we being the member(s) of ....., shares of the above named company hereby appoint

1. Name	2. Name	3. Name
Address	Address	Address
e-mail id	e-mail id	e-mail id
Signature ..... Or Failing him	Signature ..... Or Failing him	Signature .....

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24" Annual General Meeting of the Company to be held on Thursday, 25th September 2014. at 10.00 a.m at Chennai and at any adjourment thereof in respect of such resolutions, as are indicated overleaf.

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.

SL.No.	Resolutions	For	Against
	ORDINARY BUSINESS		
1.	To adopt Audited Statement of Profit and Loss for the Year ended March 31.03.2014 and Balance Sheet.		
2	To Appoint a Director - Ms Visalakshi Periasamy		
3	To Appoint Statutory Auditors		
	SPECIAL BUSINESS		
4	To Appoint Managing Director - Mr. K. Kandasamy		
5	To Consider Investment in shares		
6	To Appoint an Independent Director - Mr. M. Ganapathy		
7	To Appoint an Independent Director - Mr. R.K. Viswanathan		
8	To Appoint an Independent Director - Dr. S. Muthu		

SHAREHOLDERS ARE INFORMED THAT NO GIFT WILL BE DISTRIBUTED DURING OUR ANNUAL GENERAL MEETING

Speed / Registered - Post

To,

PGP GROUP

If Undelivered, Please return to

DHARANI FINANCE LIMITED

(Secretarial Division)

"PGP HOUSE"

No. 57, Sterling Road, Nungambakkam, Chennai - 600 034