


FORM A

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

(In pursuance of Clause 31 of the Listing Agreement)

1	Name of the Company	Dharani Finance Limited
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March 2015
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	For Dharani Finance Limited  R Muralidharan 
7	Audit Committee Chairman	For Dharani Finance Limited  M Ganapathy 
8	Auditor of the Company	For Ramkrish & Co., Chartered Accountants (Firm Regn.No. 003017S)  S Baskar Shrinivas Partner Membership No.209004 

# **DHARANI FINANCE LIMITED**



**25th**

**ANNUAL REPORT**  
**2014-2015**



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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**

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**Company Secretary & President (Corporate Affairs)** : **Mr N Subramanian**

**Chief Financial Officer** : **Mr R Muralidharan**

**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”**  
New No.59 (Old No. 57) Sterling Road  
Nungambakkam,  
Chennai – 600 034.  
Phone Nos. 044-2831 1313, 2825 4176  
Fax No. 044 – 2823 2074  
Email: [secretarial@dharanifinance.in](mailto:secretarial@dharanifinance.in)  
Website : [www.dharanifinance.in](http://www.dharanifinance.in)  
CIN – L65191TN1990PLC019152



**NOTICE TO SHAREHOLDERS**

Notice is hereby given that the **TWENTYFIFTH ANNUAL GENERAL MEETING** of the members of the Company will be held on **Friday, the 25<sup>th</sup> September 2015 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 31<sup>st</sup> March 2015, 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 Dr Palani G Periasamy, (DIN 00081002) who retires by rotation and being eligible offers himself for re-appointment.
3. To consider and if thought fit, to pass, the following resolution as ordinary resolution:

**RESOLVED THAT** pursuant to the provisions of section 139, 142 and Audit and Auditors Rules, 2014, (the rules), (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) K. Ramkrish & Co., Chartered Accountants, Chennai (Registration number 003017S with the Institute of Chartered Accountants of India), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Auditors, in terms of provisions of section 141 of the Act, and rule 4 of the rules, be and are hereby re-appointed as Statutory Auditors of the Company to hold office for a period of 2 years from the conclusion of this meeting until the conclusion of the 27<sup>th</sup> Annual General Meeting of the Company on such remuneration as may be agreed upon by the Audit committee/ Board of Directors in consultation with the Auditors.

**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 the procedure indicated in Part II Section II of Schedule V read with Section 196, 197 & 203, subject to such sanctions as may be necessary, approval and sanction of the company be and is hereby accorded to the payment of the following remuneration to Mr K Kandasamy (DIN: 00277906) Managing Director of the Company having inadequate profits during the year 2014-15 for a period of 3 years with effect from 01.04.2014.

	Particulars	Amount in Rs.
A	Salary	1204000.00
	Perquisites	
	HRA	90000.00
	Medical Reimbursement	108012.00
	LTA	80500.00
	Total – A	1482512.00
B	Provident Fund @ 12%	136800.00
	Superannuation @15%	180600.00
	Gratuity	16973.00
	Total -B	334373.00
	Total A+B	1816885.00

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

**Increase in borrowing powers**

**“RESOLVED THAT** in supersession of earlier resolution passed in Annual General Meeting of the Company held on 28<sup>th</sup> July 1993 in borrowing powers of the Board and pursuant to provisions of the section 180(1)(c) and all other applicable provisions of the Companies Act, 2013 and Rules thereunder and as per other applicable laws (including any amendment thereto or re-enactment thereof) the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (which term be deemed to include any Committee of the Board) to borrow such sums of money (apart from temporary loans obtained or to be obtained from the Bankers of the Company in the ordinary course of the business i.e. loans repayable on demand, such as short-term, cash credit arrangements, the discounting of bills, and the issue of other short term loan of seasonal character, but does not include loans raised for the purpose of financial expenditure of a capital nature) as they may deem fit and necessary from time to time, for the purpose of the business of the Company and on such terms and conditions as to interest, repayment, security or otherwise as they may, in their absolute discretion, think fit and proper, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company, remaining outstanding at any time will exceed the aggregate of the paid-up capital of the Company and its free reserves, provided that the total amount so borrowed by the Board of Directors and remaining outstanding at any time, shall not at any time exceed the limit of **Rs. 25 (Rupees Twenty Five) Crores.**



**RESOLVED FURTHER THAT** pursuant to provisions of the section 180(1)(a) and all other applicable provisions of the Companies Act, 2013 and Rules thereunder and as per other applicable laws (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to create mortgage, hypothecation and /or create charge on all or any of the movable or immovable properties or such other assets of the Company, wherever situated, both present and future, and on the whole or part of the one or more undertakings of the Company of any nature and kind whatsoever in favour of banks, financial institutions or any other lender whether Indian or International (hereinafter referred as "Lenders") to secure the amount borrowed, to be borrowed by the Company from such "Lenders" from time to time for the due repayment of the principal monies together with the interest thereon at the respective agreed rate(s) or any other charges in respect of such borrowings and such security to rank in such manner as may be agreed to between the concerned lender(s) and Board of Directors of the Company.

**RESOLVED FURTHER THAT** the Board of Directors or any person authorised by the Board of Directors, be and is hereby authorised to negotiate and settle the terms and conditions with the concerned Bank(s) / Financial Institution(s) / Lender(s), finalize the applicable instruments/agreements, deeds or any other document for borrowing the monies for the purpose of business of the Company and creating the mortgage, hypothecation or charge on the assets of the Company in relation to borrowings of monies and to do all such other acts, deeds and things necessary and incidental to give effect to this resolution.

By Order of the Board

For Dharani Finance Limited

N Subramanian  
Company Secretary

Place : Chennai  
Date : 27.05.2015

**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.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Share Transfer Books of the Company will remain closed from **19th September 2015 to 25th September 2015 (both days inclusive)**.
3. Members/ Proxy holders must bring the Attendance Slip duly signed to the meeting and hand it over at the entrance. Xerox copy/ torn attendance slips will not be accepted.

4. Members holding shares in physical form are requested to quote their Registered Folio numbers and those holding shares in demat form to quote their ID Numbers in the attendance slips and in all correspondence with the Company and notify the Company/ Registrar & Transfer Agent immediately of change, if any, in their Registered Address and/ or of their mandates.
5. All documents referred to in the above notice are open for inspection at the Registered Office of the Company between 2.00 P.M and 4.00 P.M on any working day.
6. Members are requested to bring their copies of Annual Report to the Meeting.
7. Members who have not encashed their Dividend Warrants of 2007-08, 2009-10, 2010-11 and 2011-12 may send the same to the Registered Office or Share Transfer Agent for revalidation.
8. Unpaid dividend for over 7 years will be transferred to Central Government. Members may refer to page No.14 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 is 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 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.

By Order of the Board

For Dharani Finance Limited

Place : Chennai  
Date : 27.05.2015

N Subramanian  
Company Secretary

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

**Item No.4**

Mr K Kandasamy, (DIN 00277906) was reappointed as Managing Director for a fresh period of 5 years from 25.06.2014 with the following remuneration and approval of Shareholders was obtained through a Special Resolution in the Annual General Meeting held on 25<sup>th</sup> September 2014.

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

Perquisites	In Rs.
HRA	240000.00
Medical Reimbursement (@ 1 month Salary)	105000.00
LTA (@ 1 month Salary)	105000.00
<b>Total</b>	<b>450000.00</b>

It was also provided therein that in case there are no profits or if the profits are insufficient, payment of remuneration will be regulated within the limits, i.e., Rs.30 lakhs per year prescribed in Section II Part II of the Schedule V to the Companies Act, 2013 and after following the prescribed procedure. As the profits for the year 2014-15 are insufficient, the above procedure is being followed. The following remuneration which is within the prescribed limits is recommended for a period of 3 years from 01.04.2014

In Rupees

A		
	Salary	1204000.00
	Perquisites	
	HRA	90000.00
	Medical Reimbursement	108012.00
	LTA	80500.00
	Total – A	1482512.00

Besides Provident Fund, Superannuation & Gratuity as admissible will be paid which will be outside the ceiling limits.

In Rupees

B		
	Provident Fund @ 12%	136800.00
	Superannuation @15%	180600.00
	Gratuity	16973.00
	Total -B	334373.00
Total A+B		1816885.00

- b) Interest of Directors, Key Managerial personnel and their relatives:  
None of  
(i) Directors,  
(ii) Key Managerial Personnel (CFO & CS), and  
(iii) Relatives of the persons mentioned in (i) and (ii) are interested in the above said resolution.
- c) Relevance of Resolution in any other Company. The above resolution does not affect any other Company.
- d) Inspection of Documents - No document is required to be kept for inspection

**Item No. 4 Contd.,**

<b>I. General Information</b>		
1	Nature of industry	Services
2	Date or expected date of commencement of commercial production	10.05.1990
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	NA
4	Financial performance based on given indicators	Provided in the Board's Report
5	Foreign investments or collaborations, if any	Nil
<b>II. Information about the appointee</b>		
1	Background details	Mr K Kandasamy belongs to the promoter group. He is a Law Graduate and MBA. He has been member of the Company since its formation.
2	Past Remuneration	Rs.85000.00 – 5000.00 - 105000.00
3	Recognition or awards	Nil
4	Job Profile and his suitability	He has more than 20 years experience in General administration in the group.
5	Remuneration proposed	Rs.105000.00 – 5000.00 – 125000.00
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Rs.2,50,000/- p.m. + perquisites
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.	One of the promoters. Holds 81990 equity shares 1.64% in Dharani Finance Limited
<b>III. Other information</b>		
1	Reasons of loss or inadequate profits	General economic depression
2	Steps taken or proposed to be taken for improvement	Provided in the Board's Report
3	Expected increase in productivity and profits in measurable terms	

Accordingly the Directors commend the resolution for approval of the Shareholders as a Special Resolution.





**Item No.5:**

The Members had, in the Annual General Meeting held on 27<sup>th</sup> July 1993, passed a Special Resolution and accorded their approval to the Board of Directors for borrowings upto Rs. 25 (Rupees Twenty Five) crores, as also for creation of charges on Company's assets as required under Section 293(1)(d) and 293(1)(a) respectively of the Companies Act, 1956. On implementation of the Companies Act 2013, Section 180 (corresponding to section 293 of old Act) was made effective from September 12, 2013, which provide for approval by the Shareholders by way of Special Resolution under the Companies Act, 1956. The Ministry of Corporate Affairs issued General Circular No. 04/2014 dated March 25, 2014 clarifying the position of old resolution passed under section 293 of Companies Act, 1956. This circular says that old resolution passed under section 293 of Companies Act, 1956 will be valid up to September 11, 2014. As such, it has become necessary to obtain fresh approval of the Members by means of Special Resolution as envisaged under section 180(1)(c) and Section 180(1)(a) of the Companies Act 2013, to enable the Board of Directors of the Company to continue to exercise the same borrowing powers i.e.

a) borrow moneys, apart from temporary loans obtained from the Company's Bankers in the ordinary course of business, in excess of the aggregate of paid-up share capital and free reserves of the Company; and b)

create charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the Banks/Financial Institutions or other lending agencies

b) Interest of Directors, Key Managerial personnel and their relatives:

- None of (i) Directors,  
(ii) Key Managerial Personnel (CFO & CS), and  
(iii) Relatives of the persons mentioned

in (i) and (ii) are interested in the above said resolution.

c) Relevance of Resolution in any other Company. The above resolution does not affect any other Company.

d) Inspection of Documents - No document is required to be kept for inspection

Accordingly the Directors commend the resolution for approval of the Shareholders as a **Special Resolution**.

By Order of the Board

**For Dharani Finance Limited**

**N Subramanian**  
**Company Secretary &**  
**President (Corporate Affairs)**

**Place : Chennai – 34**  
**Date : 27.05.2015**

**e- Voting Process**

The Company is pleased to provide members facility to exercise their right to vote at the 25<sup>th</sup> 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 **Tuesday, the 22<sup>nd</sup> September 2015 (10.00 AM) and ends on Thursday, the 24<sup>th</sup> September 2015 (5.00 PM). e-Voting through electronic mode shall not be allowed beyond 5.00 p.m. on 24<sup>th</sup> September 2015.**

During this period, shareholders of the Company, holding shares as on the cutoff date of i.e., **18th September 2015** are entitled to cast 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) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
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. <ul style="list-style-type: none"> <li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to

mandatorily enter their login password in the new password field. 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.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians



- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.  
In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
9. The voting rights of shareholders shall be in proportion to their shareholding as on the Cutoff date of 18th September 2015.
  10. Mr M Damodaran, Practicing Company Secretary (Membership No. 005837) has been appointed as the Scrutinizer.
  11. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same;
  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.dharanisugars.in](http://www.dharanisugars.in) and on the website of CDSL [www.evotingindia.co.in](http://www.evotingindia.co.in) within 2 days of passing of the resolutions at the AGM of the company and communicated to NSE and BSE.

**General Shareholder's Information**

I. Time, Date and Venue of Annual General Meeting	25th September 2015 at 10.00 A.M. Mini Hall, Narada Gana Sabha, New No.314, TTK Road, Alwarpet, Chennai - 600 018
II. Financial Year	April 2014 - March 2015
III. Date of Book Closure	19th September 2015 to 25th September 2015
IV. Listing on Stock Exchange	Bombay Stock Exchange
V. Stock Code	Bombay Stock Exchange - 511451

**DIRECTORS' REPORT**

Dear Members,

The Board of Directors present herein the **TWENTYFIFTH** Annual Report of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March 2015.

**FINANCIAL SUMMARY**

The Financial results for the year ended 31<sup>st</sup> March 2015 are briefly as follows: -

Particulars	Rupees in Lakhs	
	For the year Ended 31.03.2015	For the year Ended 31.03.2014
Income through Travel Operations, Finance Services and others	<b>289.87</b>	315.80
Expenditure (Employee & Administrative Expenses)	<b>262.45</b>	223.50
Profit	<b>27.42</b>	92.30
Depreciation	<b>6.13</b>	67.72
Interest & Bank Charges	<b>0.23</b>	0.08
Profit/(Loss) after depreciation & Interest	<b>21.06</b>	24.50
Provision for Income Tax		
- Current	<b>10.00</b>	4.50
- MAT	<b>(8.58)</b>	-
- Deferred	<b>4.44</b>	(13.80)
<b>Profit/(Loss) after Tax</b>	<b>15.36</b>	33.81
Surplus/(deficit) brought forward	<b>72.59</b>	45.54
<b>Profit available for appropriation</b>	<b>87.95</b>	79.35
<b>APPROPRIATIONS</b>		
Transfer to Statutory Reserves	<b>3.07</b>	6.76
Proposed Dividend	-	-
Dividend Distribution Tax	-	-
Net Surplus/(Deficit) carried over	<b>84.88</b>	72.59

**PERFORMANCE**

Total income of the Company is Rs.289.87 lakhs as against Rs.315.80 lakhs in the previous year though income through travel operations has increased from Rs. 198.23 lakhs to Rs.224.74 lakhs an increase of Rs.20.51 lakhs. Company provides travel services to the guests of the Group's 5 star hotels at Chennai and Coimbatore.

The Company's expenses have increased to Rs.262.45 lakhs as compared to the previous year's Rs.223.50 lakhs. The gross profits have come down to Rs.27.42 lakhs from Rs.92.30 lakhs. Sale of long term investments at the appropriate time resulted in a gain of Rs. 52.15 lakhs, contributing to the profits.

Software services, which the Company commenced last year, could not bring in much business. After providing Rs.6.13 lakhs towards depreciation and Rs.0.23 lakhs as interest etc., net profit comes to Rs.21.06 lakhs as against a profit of Rs. 24.50 lakhs in the previous year.

**OUTLOOK**

Taking into account the economic situation during 2014-15 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, Government of India is confident of an improvement in the economy as a result of various measures taken by them during the last one year 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.

**RESERVES**

A sum of Rs.3.07 lakhs is being transferred to the Statutory Reserves, as required by RBI regulations. With this, total Statutory Reserves comes to Rs.1,04,54,167/-

**SHARE CAPITAL**

There is no change in the Share Capital of the Company either the Authorised Capital or the Issued Capital. The paid up equity capital as on March 31, 2015 was Rs. 4,99,44,000. The Company has not issued any shares during the period.

**EXTRACT OF ANNUAL RETURN**

Extract of the Annual Return in form MGT-9 as provided under Section 92(3) of the Companies Act 2013 is attached herewith. (Annexure - I).

**BOARD MEETINGS**

Board consists of the following directors including one Woman Director.



Sl. No	Name of the Director	Category of Directorship
1	Dr Palani G Periasamy (DIN 00081002)	Chairman (Non Executive) - Promoter
2	Mrs Visalakshi Periasamy (DIN 00064517)	Non Executive - Promoter
3	R K Viswanathan (DIN 00047420)	Non Executive - Independent
4	K Kandasamy (DIN 00277906)	Executive - Promoter
5	M Ganapathy (DIN 00234337)	Non Executive - Independent
6	Dr S Muthu (DIN 03331664)	Non Executive - Independent

During the year 2014-15 four Board Meetings were held on 29.05.2014, 13.08.2014, 12.11.2014 and 11.02.2015.

**LOANS, GUARANTEES OR INVESTMENTS**

The Company has not given any loans or provided any guarantees covered under the provisions of section 186 of the Companies Act, 2013.

The details of the investments made by Company are given in the notes to the financial statements.

**CONTRACTS, ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SECTION 188(1)**

All related party transactions that were entered into during the financial year were in the ordinary course of the business and were on arm's length basis. The statement in form AOC 2 is attached (Annexure - II). There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large.

**AUDITOR'S REPORT**

The observations made in the Auditors' Report read together with relevant notes thereon are self explanatory and do not call for any further comments under Section 134 of the Companies Act, 2013. There are no qualifications reservations, or adverse remarks.

**MATERIAL CHANGES AND COMMITMENTS**

There were no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of the report.

**FOREIGN EXCHANGE EARNINGS AND OUT-GO, CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION**

A. During the year there were no Foreign Exchange Earnings & Outflow.

B. Conservation of Energy & Technology absorption are not applicable to this Company.

**SUBSIDIARY COMPANIES**

The Company does not have any subsidiary or any associate Company. Hence no report on subsidiary, associate, joint venture Company is proposed.

**RISK MANAGEMENT POLICY**

The Company has developed a risk management policy. Pursuant to Section 134 (3) (n) of the Companies Act, 2013 details of the Policy are disclosed in the Company's Website.

At present the Company has not identified any element of risk which may threaten the existence of the Company.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL**

- (i). Dr Palani G Periasamy, (DIN 00081002) retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for reappointment.
- (ii) Mr K Kandasamy was re-appointed as Managing Director for a further term of 5 years from 25/06/2014 and approval of the Shareholders obtained in the last Annual General Meeting held on 25<sup>th</sup> September 2014.
- (iii) Mr R Muralidharan was appointed as the Chief Financial Officer with effect from 01.09.2014.

**SIGNIFICANT AND MATERIAL ORDERS**

There were no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

**INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an Internal Control System, commensurate with the size, scale and complexity of its operations. The scope and authority of the Internal Audit function is defined in the assignment order. To maintain its objectivity and independence, the Internal Auditor reports to the Chairman of the Audit Committee of the Board & to the Chairman.

The Internal Audit monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies. Based on the report of internal auditor, management undertake corrective action and thereby strengthen the controls. Significant audit observations wherever made and recommendations along with corrective actions thereon are presented to the Audit Committee of the Board.



**DEPOSITS**

The Company does not hold any public deposits as on 31<sup>st</sup> March 2015. Your Company has not accepted any deposits covered under Chapter V of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 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.

**DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Directors have given their declarations as per Section 149 (7) to the effect that they meet the criteria of Independence. The 3 Independent Directors were appointed as Independent Directors in the Annual General Meeting 25<sup>th</sup> September 2014 and will hold office for 5 years from 25.09.2014 to 24.09.2019.

**SECRETARIAL AUDIT**

Pursuant to provisions of section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the Company has appointed Mr M Damodaran & Associates Company Secretaries in practice to undertake the Secretarial Audit of the Company. Their Audit report as on 31.03.2015 is annexed herewith as (Annexure –III). There were no qualifications or observations requiring Board comments.

**CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

Your Company does not fall within the parameters as per section 135 of the Companies Act and hence not mandated to form Corporate Social Responsibility Policy or to spend the prescribed amounts.

**AUDIT COMMITTEE**

A qualified Audit Committee is in position consisting of the following Independent directors.

Mr M Ganapathy – Chairman, Mr R. K Viswanathan and Dr S Muthu

The Company Secretary is the Secretary to this Committee. The Audit Committee met 4 times on 29.05.2014, 13.08.2014, 12.11.2014 and 11.02.2015.

There was no instance where the recommendation of the Audit Committee was not accepted by the Board.

**BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration Committees. The manner in which the evaluation has been carried out is attached (Annexure - IV)

**NOMINATION AND REMUNERATION COMMITTEE**

As required by Section 178 of the Companies Act, 2013 a Nomination & Remuneration Committee has been set up. Mr M Ganapathy, Mr R K Viswanathan and Dr S Muthu with Mr. M. Ganapathy as the Chairman are the members of this Committee. The Committee has formulated the criteria for appointment of Directors and their Remuneration.

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The Remuneration Policy is stated in the annexure. (Annexure - V)

**VIGIL MECHANISM FOR DIRECTORS & EMPLOYEES**

A competent Vigil mechanism has been established and a whistle blower policy has been designed to help Directors and Employees to report genuine concerns. Brief details of this policy are given in this (Annexure - VI), while the complete mechanism is given in the company's website.

**CORPORATE GOVERNANCE CERTIFICATE**

This requirement is not applicable to this Company at present, as per amendments made to clause 49 of the Listing Agreement, its paid up capital being less than Rs. 10 crores and Net worth being less than Rs.25 crores.

**MANAGERIAL REMUNERATION**

As the profits of the Company for the year were inadequate, remuneration within the prescribed limits is to be paid to the Managing Director with the approval of the Shareholders in accordance with Schedule V Part II Section II of the Companies Act, 2013.



**MANAGERIAL REMUNERATION**

A	Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. (Applicable to listed Company)	(Annexure - VII) enclosed
B	Details of the every employee of the Company as required pursuant to 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014	There are no employees falling within the requirements of Section 197 read with rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
C	Any director who is in receipt of any commission from the company and who is a Managing Director or Whole-time Director of the Company shall receive any remuneration or commission from any Holding Company or Subsidiary Company of such Company subject to its disclosure by the Company in the Board's Report.	NIL
D	The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement: as per Schedule V, Part -II, Section -II of the Companies Act, 2013	

In Rupees																	
(i) all elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc., of all the directors;	<table border="0"> <tr> <td>Salary</td> <td style="text-align: right;">12,04,000.00</td> </tr> <tr> <td><b>Perquisites</b></td> <td></td> </tr> <tr> <td>HRA</td> <td style="text-align: right;">90,000.00</td> </tr> <tr> <td>Medical</td> <td style="text-align: right;">1,08,012.00</td> </tr> <tr> <td>LTA</td> <td style="text-align: right;">80,500.00</td> </tr> <tr> <td>Provident Fund @ 12%</td> <td style="text-align: right;">1,36,800.00</td> </tr> <tr> <td>Superannuation @ 15%</td> <td style="text-align: right;">1,80,600.00</td> </tr> <tr> <td>Gratuity</td> <td style="text-align: right;">16,973.00</td> </tr> </table>	Salary	12,04,000.00	<b>Perquisites</b>		HRA	90,000.00	Medical	1,08,012.00	LTA	80,500.00	Provident Fund @ 12%	1,36,800.00	Superannuation @ 15%	1,80,600.00	Gratuity	16,973.00
Salary	12,04,000.00																
<b>Perquisites</b>																	
HRA	90,000.00																
Medical	1,08,012.00																
LTA	80,500.00																
Provident Fund @ 12%	1,36,800.00																
Superannuation @ 15%	1,80,600.00																
Gratuity	16,973.00																
(ii) details of fixed component and performance linked incentives along with the performance criteria;	NA																
(iii) service contracts, notice period, severance fees;	5 years, 3 months, Nil																
(iv) stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable.	Nil																

**PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE**

The Company has in place an Anti Sexual harassment policy in line with the requirements of the Section 4 of the Sexual harassment of Women at Work Place (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received as sexual harassment. All employees are covered under this policy. Details have been displayed prominently in the work place and also in the Company's Website.

The following is a summary of such complaints received & disposed during the year 2014-15. No. of Complaints received – Nil, No of complaints disposed off – NIL.

**STATUTORY AUDITORS**

M/s K. Ramkrish & Co., Chartered Accountants (Firm Regn. No. 1030125), Chennai retire as Statutory Auditors on the conclusion of this Annual General Meeting. They can be continued for a further period of 2 years, though they have completed the two terms of 5 years each on 31.03.2014. They have conveyed

their consent for re-appointment and have also furnished the required declaration as required in Section 139 of the Act. Accordingly, they are being proposed for re-appointment for a period of 2 years from 01.04.2015 to 31.03.2017, subject to approval in the Annual General Meeting.

**DIRECTOR'S RESPONSIBILITY STATEMENT**

In terms of Section 134 (5) of the Companies Act, 2013, the directors would like to state that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- ii) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review.
- iii) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.



- iv) The directors have prepared the annual accounts on a going concern basis.
- v) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- vi) The directors had devised proper system to ensure compliance with the provisions of all applicable laws and that such system were adequate and operating effectively.

**MANAGEMENT COMMITTEE**

The Directors on the Management Committee are:  
Dr Palani G Periasamy, Mrs Visalakshi Periasamy and Mr K Kandasamy.  
No meeting of this Committee was held.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders' Relationship 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 29.05.2014. The Directors of the Stakeholders Relations Committee are Mr. R K Viswanathan, Independent Director(Chairman) and Mr. K Kandasamy (Member).

**CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to the Members of the Board and all employees in the course of day to day business operations of the Company.

The Code has been posted on the Company's website [www.dharanifinance.in](http://www.dharanifinance.in)

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code. All Management Staff were given appropriate training in this regard.

Place : Chennai  
Date : 27.05.2015

**PREVENTION OF INSIDER TRADING**

The Company has adopted a Code of disclosures & a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. This has been disclosed in the Company's website. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

**UNCLAIMED DIVIDEND**

Pursuant to Section 124 & 125 of the Companies Act, 2013, 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. Reminders were sent to the shareholders as per records every year, for the unpaid dividends.

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 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.

Year	% of Dividend	Date	Unclaimed		Due date for transfer to IEPF
			No.of Warrants	Amt in lakhs	
2007-08	5	10.10.2008	6047	457376.00	31.10.2015
2009-10	5	01.10.2010	6447	493190.00	11.10.2017
2010-11	5	20.10.2011	7156	562842.50	30.10.2018
2011-12	7	15.10.2012	7483	836050.60	24.10.2019

**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**  
**(DIN 00081002)**



**Board's Report****Form No. MGT-9****EXTRACT OF ANNUAL RETURN  
As on the financial year ended on 31st March, 2015****[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014****I REGISTRATION & OTHER DETAILS:**

i	CIN	L65191TN1990PLC019152
ii	Registration Date	10.05.1990
iii	Name of the Company	Dharani Finance Limited
iv	Category/Sub-category of the Company	Company Limited by Shares
v	Address of the Registered office & contact details	No.57 Sterling Road, Nungambakkam, Chennai - 34 Phone : 044 - 28311313 secretarial@dharanifinance.in
vi	Whether listed company	Yes
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Cameo Corporate Services Ltd, No.1 Club House Road, Subramanian Building, Chennai - 1 Ph : 044 - 28460390

**II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the Company shall be stated.

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the Company
1	Financial Services	-	3.22
2	Travel Services	-	96.78

**III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SL No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
NIL					

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)  
Category - Wise Share holding**

Sl.No.	Category of Shareholders	No. of shares held at the beginning of the year-01.04.2014				No. of shares held at the end of the year -31.03.2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
(a)	Individual/HUF	586692	0	586692	11.75	597641	0	597641	11.97	0.22
(b)	Central Govt	-	-	0	-	-	-	0	-	-
(c)	State Govt(s)	-	-	0	-	-	-	0	-	-
(c)	Bodies Corp.	573009	0	573009	11.47	573009	21910	594919	11.91	0.44
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other ....	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(1)</b>	<b>1159701</b>	<b>0</b>	<b>1159701</b>	<b>23.22</b>	<b>1170650</b>	<b>21910</b>	<b>1192560</b>	<b>23.88</b>	<b>0.66</b>



## DHARANI FINANCE LIMITED

### Category - Wise Share holding Contd.,

	Category of Shareholders	No. of shares held at the beginning of the year-01.04.2014				No. of shares held at the end of the year –31.03.2015				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(2)</b>	<b>Foreign</b>									
(a)	NRIs - Individuals	216642	-	216642	4.34	216642	-	216642	4.34	-
(b)	Other - Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-	-
(e)	Any Other ....	-	-	-	-	-	-	-	-	-
	<b>Sub-Total (A)(2)</b>	<b>216642</b>	<b>0</b>	<b>216642</b>	<b>4.34</b>	<b>216642</b>	<b>0</b>	<b>216642</b>	<b>4.34</b>	<b>0.00</b>
	<b>Total shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>1376343</b>	<b>0</b>	<b>1376343</b>	<b>27.56</b>	<b>1387292</b>	<b>21910</b>	<b>1409202</b>	<b>28.22</b>	<b>0.66</b>
<b>B.</b>	<b>Public Shareholding</b>									
(1)	<b>Institutions</b>	0	0	0	0	0	0	0	0	0
	<b>Sub- Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>2.</b>	<b>Non- Institutions</b>									
(a)	Bodies Corporate									
(i)	Indian	31626	2700	34326	0.69	49171	2700	51871	1.04	0.35
(ii)	Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
i	Individual shareholders holding nominal shares capital up to Rs.1 lakh	1064758	1783671	2848429	57.03	1036649	1759671	2796320	55.99	-1.04
ii	Individual shareholders holding nominal shares capital in excess of Rs.1 lakh	264040	290400	554440	11.10	296350	290400	586750	11.75	0.65
(c)	Others (specify)									
	Directors	0	21200	21200	0.42	0	21200	21200	0.42	
	Clearing Members	0	0	0	0	300	0	300	0.01	0.01
	Hindu Undivided Families	19543	400	19943	0.40	20848	400	21248	0.43	0.03
	Non Resident Indians	49459	90260	139719	2.80	39159	68350	107509	2.15	-0.64
	<b>Sub- Total (B)(2)</b>	<b>1429426</b>	<b>2188631</b>	<b>3618057</b>	<b>72.44</b>	<b>1442477</b>	<b>2142721</b>	<b>3585198</b>	<b>71.78</b>	<b>-0.66</b>
	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>2805769</b>	<b>2188631</b>	<b>4994400</b>	<b>100.00</b>	<b>2829769</b>	<b>2164631</b>	<b>4994400</b>	<b>100.00</b>	<b>0.00</b>
(C)	Shares held by Custodian for GDRs and ADRs	-	-	-	-	-	-	-	-	-
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>2805769</b>	<b>2188631</b>	<b>4994400</b>	<b>100.00</b>	<b>2829769</b>	<b>2164631</b>	<b>4994400</b>	<b>100.00</b>	<b>0.00</b>



**DHARANI FINANCE LIMITED**

**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity) . contd.,**

(ii) Shareholding of promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year 01.04.2014			Shareholding at the end of the year 31.03.2015			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1	Dharani Credit & Finance (P) Ltd	229133	4.59	-	229133	4.59	-	0.00
2	Dharani Developers Private Ltd	204876	4.10	-	226786	4.54	-	0.44
3	Dharani Sugars & Chemicals Ltd	139000	2.78	-	139000	2.78	-	0.00
4	K Vijayalakshmi	91619	1.83	-	101568	2.03	-	0.20
5	K Kandasamy	81990	1.64	-	82990	1.66	-	0.02
6	Visalakshi Periasamy	145198	2.91	-	145198	2.91	-	0.00
7	Dr. Palani G Periasamy	353112	7.07	-	353112	7.07	-	0.00
8	R Murugavel	21283	0.43	-	21283	0.43	-	0.00
9	Ananthi Periasamy	30044	0.60	-	30044	0.60	-	0.00
10	Santhi Periasamy	30044	0.60	-	30044	0.60	-	0.00
11	Nalini Periasamy	30044	0.60	-	30044	0.60	-	0.00
12	Jayanthi Periasamy	20000	0.40	-	20000	0.40	-	0.00
	<b>Total</b>	<b>1376343</b>	<b>27.56</b>	<b>-</b>	<b>1409202</b>	<b>28.22</b>	<b>-</b>	<b>0.66</b>

iii. Changes in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year- 01.04.2014		Cumulative Shareholding during the year- 31.03.2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	<b>DR. PALANI G PERIASAMY</b>				
	At the beginning of the year 01.04.2014	353112	7.07		
	At the end of the Year 31-Mar-2015			353112	7.07
2	<b>DHARANI CREDIT AND FINANCE (P) LTD</b>				
	At the beginning of the year 01.04.2014	229133	4.59		
	At the end of the Year 31-Mar-2015			229133	4.59
3	<b>DHARANI DEVELOPERS PRIVATE LIMITED</b>				
	At the beginning of the year 01.04.2014	204876	4.10		
	Purchase 20-Mar-2015	21910	0.44	226786	4.54
	At the end of the Year 31-Mar-2015			226786	4.54
4	<b>VISALAKSHI PERIASAMY</b>				
	At the beginning of the year 01.04.2014	145198	2.91		
	At the end of the Year 31-Mar-2015			145198	2.91



**iii. Change in Promoters' Shareholding (please specify, if there is no change) Contd...,**

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year- 01.04.2014		Cumulative Shareholding during the year- 31.03.2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>5</b>	<b>DHARANI SUGARS AND CHEMICALS LIMITED</b>				
	At the beginning of the year 01.04.2014	139000	2.78		
	At the end of the Year 31-Mar-2015			139000	2.78
<b>6</b>	<b>K VIJAYALAKSHMI</b>				
	At the beginning of the year 01.04.2014	91619	1.83		
	Purchase 19-Dec-2014	449	0.01	92068	1.84
	Purchase 31-Dec-2014	9500	0.19	101568	2.03
	At the end of the Year 31-Mar-2015			101568	2.03
<b>7</b>	<b>K KANDASAMY</b>				
	At the beginning of the year 01.04.2014	81990	1.64		
	Purchase 19-Dec-2014	1000	0.02	82990	1.66
	At the end of the Year 31-Mar-2015			82990	1.66
<b>8</b>	<b>R MURUGAVEL</b>				
	At the beginning of the year 01.04.2014	21283	0.43		
	At the end of the Year 31-Mar-2015			21283	0.43
<b>9</b>	<b>ANANTHI PERIASAMY</b>				
	At the beginning of the year 01.04.2014	30044	0.60		
	At the end of the Year 31-Mar-2015			30044	0.60
<b>10</b>	<b>SANTHI PERIASAMY</b>				
	At the beginning of the year 01.04.2014	30044	0.60		
	At the end of the Year 31-Mar-2015			30044	0.60
<b>11</b>	<b>NALINI PERIASAMY</b>				
	At the beginning of the year 01.04.2014	30044	0.60		
	At the end of the Year 31-Mar-2015			30044	0.60
<b>12</b>	<b>JAYANTHI PERIASAMY</b>				
	At the beginning of the year 01.04.2014	20000	0.40		
	At the end of the Year 31-Mar-2015			20000	0.40



## DHARANI FINANCE LIMITED

### iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and holders of GDRs and ADRs):

Sl. No.	Name of the Shareholders	Shareholding at the beginning of the year- 01.04.2014		Cumulative Shareholding during the year- 31.03.2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>1</b>	<b>SANTOSH KUMAR KHEMKA JT1 : VINEET KHEMKA</b>				
	At the beginning of the year 01-Apr-2014	151000	3.02		
	At the end of the Year 31-Mar-2015			151000	3.02
<b>2</b>	<b>LALIT KISHORE CHOUDHURY</b>				
	At the beginning of the year 01-Apr-2014	93692	1.88		
	At the end of the Year 31-Mar-2015			93692	1.88
<b>3</b>	<b>SANTOSH KUMAR KHEMKA JT1 : CHITRA KHEMKA</b>				
	At the beginning of the year 01-Apr-2014	90000	1.80		
	At the end of the Year 31-Mar-2015			90000	1.80
<b>4</b>	<b>SANTOSH KUMAR KHEMKA JT1 : CHITRA KHEMKA</b>				
	At the beginning of the year 01-Apr-2014	45000	0.90		
	At the end of the Year 31-Mar-2015			45000	0.90
<b>5</b>	<b>DINESH KUMAR MURARKA</b>				
	At the beginning of the year 01-Apr-2014	30000	0.60		
	At the end of the Year 31-Mar-2015			30000	0.60
<b>6</b>	<b>JAGANATHAN M</b>				
	At the beginning of the year 01-Apr-2014	23222	0.46		
	Purchase 30-Jun-2014	3280	0.07	26502	0.53
	Purchase 22-Aug-2014	241	0.00	26743	0.54
	Purchase 30-Sep-2014	553	0.01	27296	0.55
	Purchase 03-Oct-2014	394	0.01	27690	0.55
	Purchase 31-Oct-2014	500	0.01	28190	0.56
	Purchase 07-Nov-2014	2000	0.04	30190	0.60
	At the end of the Year 31-Mar-2015			30190	0.60
<b>7</b>	<b>AJIT BABURAO VANKUDRE</b>				
	At the beginning of the year 01-Apr-2014	21000	0.42		
	At the end of the Year 31-Mar-2015			21000	0.42
<b>8</b>	<b>VIJAY JANAKIRAMAN JT1 : MALLIGA JANAKIRAMAN</b>				
	At the beginning of the year 01-Apr-2014	20032	0.40		
	At the end of the Year 31-Mar-2015			20032	0.40
<b>9</b>	<b>NILOUFER B KOSI JT1 : MR GAFFOUR A KOSI</b>				
	At the beginning of the year 01-Apr-2014	20000	0.40		
	At the end of the Year 31-Mar-2015			20000	0.40
<b>10</b>	<b>CHITRA KHEMKA JT1 : VINEET KHEMKA</b>				
	At the beginning of the year 01-Apr-2014	14600	0.29		
	At the end of the Year 31-Mar-2015			14600	0.29



**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors KMP	Shareholding at the beginning of the year-01.04.2014		Cumulative Shareholding during the year-31.03.2015	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
<b>A</b>	<b>Directors</b>				
1	Dr Palani G Periasamy	353112	7.07	353112	7.07
2	Mrs Visalakshi Periasamy	145198	2.91	145198	2.91
4	Mr K Kandasamy	81990	1.64	82990	1.66
5	Mr R K Viswanathan	21200	0.42	21200	0.42
6	Mr M Ganapathy	0	0.00	0	0.00
7	Dr S Muthu	0	0.00	0	0.00
	<b>Total A</b>	<b>601500</b>	<b>12.04</b>	<b>602500</b>	<b>12.06</b>
<b>B</b>	<b>Key Managerial Personnel</b>				
1	Mr R Muralidharan	0	0.00	0	0.00
2	Mr N Subramanian	0	0.00	0	0.00
	<b>Total B</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0.00</b>
	At the beginning of the year <b>(A+B)</b>	601500	12.04	602500	12.06
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	0	0.00	0	0.00
	Mr Kandasamy purchased on 19th December 2014	0	0.00	1000	0.02
	At the end of the year	<b>601500</b>	<b>12.04</b>	<b>602500</b>	<b>12.06</b>

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment			
	Secured Loans excluding deposits	Unsecured Loans	Deposits
<b>Indebtedness at the beginning of the financial year</b>	NIL		
i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			
<b>Change in Indebtedness during the financial year</b>			
Additions			
Reduction			
<b>Net Change</b>			
<b>Indebtedness at the end of the financial year</b>			
i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due			
<b>Total (i+ii+iii)</b>			



## DHARANI FINANCE LIMITED

### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL.

#### (a) Remuneration to Managing Director, Whole time director and/or Manager:

In Lakhs

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	
		K Kandasamy	Total Amount
1	<b>Gross salary</b>		
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	12.04	12.04
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	2.79	2.79
	(c ) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00
2	Stock option	0.00	0.00
3	Sweat Equity	0.00	0.00
4	Commission as % of Profit	0.00	0.00
	<b>Total</b>	14.83	14.83
5	others (specify) - Gratuity, Provident Fund, Superannuation. Not to be Counted for the Ceiling	3.34	3.34
	Total	18.17	18.17
	Ceiling as per the Act	30.00	30.00

#### (b) Remuneration to other directors:

In Lakhs

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount
		R K Viswanathan	M Ganapathy	Dr Muthu	
1	Independent Directors				
	(a) Fee for attending board committee meetings	0.01	0.09	0.09	0.19
	(b) Commission	0	0	0	0
	(c ) Others, please specify	0	0	0	0
	<b>Total (1)</b>	0.01	0.09	0.09	0.19
2	Other Non Executive Directors	Dr Palani G Periasamy	Mrs.Visalakshi Periasamy		
	(a) Fee for attending board committee meetings	0.04	0.04	0	0.08
	(b) Commission	0	0	0	0
	(c ) Others, please specify.		0	0	0
	<b>Total (2)</b>	0.04	0.04	0	0.08
	<b>Total (1+2)</b>	0.14	0.13	0.09	0.36
	<b>Total Managerial Remuneration</b>				<b>15.19</b>
	<b>Overall Ceiling as per the Act.</b>				NA



**(c) Remuneration to Key Managerial Personnel Other than Managing Director/ Manager / Whole Time Director.**

In Lakhs

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		CFO	Company Secretary	Total
1	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	4.47	7.42	11.89
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0.00	0.00	0.00
2	Stock Option	0.00	0.00	0.00
3	Sweat Equity	0.00	0.00	0.00
4	Commission as % of Profit	0.00	0.00	0.00
5	Others, specify	0.00	0.00	0.00
	<b>Total</b>	<b>4.47</b>	<b>7.42</b>	<b>11.89</b>

**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/NCLT/ Court)	Appeal/ made if any (give details)
<b>A. COMPANY</b>			NIL		
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					



**Annexure to Boards Report**

Annexure - II

**Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

<b>1. Details of contracts or arrangements or transactions not at arm's length basis - NIL</b>		
a	Name(s) of the related party and nature of relationship	Nil
b	Nature of contracts/ arrangements/ transactions.	NA
c	Duration of the contracts / arrangements/ transactions	NA
d	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
e	Justification for entering into such contracts or arrangements or transactions	NA
f	date(s) of approval by the Board	NA
g	Amount paid as advances, if any	NA
h	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	NA

<b>2. Details of material contracts or arrangements or transactions at arm's length basis</b>		
a	Name(s) of the related party and nature of relationship	Section 2(76)(v) : Appu Hotels Ltd: Director holds more than 2% of the paid up Capital.
b	Nature of contracts/arrangements / transactions	Providing Travel Services – cars for the guests of Appu Hotels Ltd
c	Duration of the contracts / arrangements / transactions	One year
d	Salient terms of the contracts or arrangements or transactions including the value, if any:	Charges not exceeding prevailing market rates that will be charged by any other Travel Services providers upto a maximum of Rs. 4.00 crores Value Rs. 2,34,74,110/- during 2014-15
e	Date(s) of approval by the Board, if any:	29 <sup>th</sup> May 2014
f	Amount paid as advances, if any	Nil



**Annexure to Boards Report  
SECRETARIAL AUDIT REPORT  
For The Financial Year Ended On 31st March, 2015  
(Pursuant to section 204(1) of the Companies Act, 2013  
and Rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014)**

To,  
The Members,  
**DHARANI FINANCE LIMITED**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DHARANI FINANCE LIMITED** (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion there on.

Based on my verification of the **DHARANI FINANCE LIMITED** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31.03.2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made here in after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **DHARANI FINANCE LIMITED** ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(vi) a) Reserve Bank of India Act, 1934 and Guidelines and Directions issued by the RBI as applicable to the NBFC Companies.

I have also examined compliance with the applicable clauses of the following:

(i) The Listing Agreements entered into by the Company with Bombay Stock Exchange Limited;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations: NIL

**I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company did not have specific events/actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

Chennai  
27.05.2015

**M. DAMODARAN  
ACS/FCS No.5837  
C P No.5081**



**Annexure to Boards Report  
Board Evaluation**

As required by the New Companies Act, the Board initiated a formal evaluation of its own performance and that of the individual directors.

The evaluation has been started to consider a suitable mechanism to improve Board effectiveness, maximize strengths and tackle weaknesses if any. It will start with assessment and reviews.

In this process criteria for such evaluation has been arrived at separately for Managing / Executive / Whole Time Directors and separately for non-executive and non-whole time Directors.

(A) Criteria for evaluation of the Board and its own performance.

**Board:**

- ❖ Setting up of annual goals (including financials) and comparing with year-end achievement
- ❖ Periodically reviewing corporate strategy
- ❖ Reviewing risk management system
- ❖ Evaluating whether composition of the board has a right mix of knowledge and skills sufficient to maximize performance in the light of the future strategy.
- ❖ Whether interaction between independent directors and key managerial personnel and senior management is adequate or needs improvement
- ❖ Is appropriate, timely and un biased information, of the right length and quality, provided to the Board
- ❖ Whether Board and Committee Meetings of appropriate length, are being held to enable proper consideration of issues.
- ❖ Is the Chairman demonstrating effective leadership of the Board.
- ❖ Whether relationships and communications with shareholders are well managed.
- ❖ Whether Directors are well prepared and informed regarding Board Meetings and their attendance thereat is satisfactory.
- ❖ Whether Directors demonstrate a willingness to devote time and effort to understand the company and its business and a readiness to participate in events outside the Boardroom, such as plant visits.
- ❖ What has been the contribution of Directors in the development of strategy and risk management and how successfully have they brought their knowledge and experience to bear in the consideration of strategy

- ❖ Whether directors effectively probe the information and assumption presented by the management
- ❖ Whether directors have effective and successful relationships with fellow Board Members, the Company Secretary and Senior Management
- ❖ Whether directors actively and successfully refresh their knowledge and skills and are they up to date with.
- o The latest developments in areas such as Corporate Governance Framework and Financial Reporting
- o The industry and market conditions

**Committee**

- Discharge of its functions and duties as per its terms of reference.
- Process and procedures followed for discharging its functions;
- Effectiveness of suggestions and recommendations received;
- Size, Structure and Expertise of the Committee; and
- Conduct of its meetings and procedures followed in this regard.

(B) Criteria for evaluation of the performance of Managing / Executive / Whole Time Directors

- Achievement of financial/business targets prescribed by the Board;
- Developing and managing / executing business plans, operational plans, risk management, and financial affairs of the organization;
- Display of leadership qualities i.e. correctly anticipating business trends, opportunities, and priorities affecting the Company's prosperity and operations;
- Development of policies, and strategic plans aligned with the vision and mission of Company and which harmoniously balance the needs of shareholders, clients, employees, and other stakeholders;
- Establishment of an effective organization structure to ensure that there is management focus on key functions necessary for the organization to align with its mission; and



- Managing relationships with the Board, management team, regulators, bankers, industry representatives and other stakeholders
- (C) Criteria for evaluation of the performance of Non-Executive Directors
- Participation at the Board / Committee meetings;
  - Commitment (including guidance provided to senior management outsider of Board/Committee meetings);
  - Effective deployment of knowledge and expertise;
- Effective management of relationship with stakeholders;
  - Integrity and maintaining of confidentiality;
  - Independence of behavior and judgment; and
  - Impact and influence.

It was satisfied that the Board as constituted at present has the right mix of skills, varied experience. The Directors are quite senior people widely travelled and having knowledge of the industry, Indian economy, and administrative know-how and the Board has functioned according to expectations.

#### **Annexure to Boards Report**

Annexure - V

##### **Remuneration Policy**

The Company's policy is to maintain optimum combination of executive and non-executive directors.

Remuneration to Directors, Key Management Personnel and Senior Management involves a balance between fixed and incentive pay reflecting long term and short term performance objectives, appropriate to the working of the Company and its goals.

Considering the requirement of skill sets on the Board, eminent people having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions are considered by the Nomination & Remuneration Committee. This Committee considers qualifications positive attributes, area of expertise, number of directorship held in other companies and recommends suitable persons taking into account the Company's special needs.

This Committee has arrived at a set of criteria for appointment and remuneration, taking into account, their qualifications, experience, and seniority, suitability to the group and market situation.

Board considers their recommendations in the context of the company's needs and takes on appropriate decision.

No remuneration is paid to Non- Executive Directors. They are paid sitting fees for attending the Board and Committee Meetings at the rates not exceeding the maximum prescribed by the Government of India. They are also reimbursed Travelling and Accommodation Expenses as per approved scales. No other benefits like ESOPS/Stock options are extended to them.



**Annexure to Boards Report  
Vigil Mechanism for Directors & Employees**

The Company believes in the conduct of all its affairs in a fair and transparent manner by adopting the highest standards of professionalism, integrity and ethical behavior. This policy has been included in the Code of Conduct for the Management and all its employees. Any actual or potential violation of the Code will be a matter of serious concern. The role of Directors/employees in pointing out any violations of the Code cannot be underestimated. Section 177(9) of the Companies Act 2013 has mandated establishing a vigil mechanism for directors and employees of all listed companies and such other class of Companies to report genuine concerns. The Rules and also clause 49 of the Listing Agreement with Stock Exchanges also require that the Company discloses the details of the vigil mechanism in the Company's website and also in the Board's Report to the Shareholders. Establishing this whistle blower policy, will help employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy.

1 **Policy** : This policy has been designed to provide a frame work to promote responsible and secure whistle blowing i.e. by the directors and employees of the PGP Group raise a concern about serious irregularities within the Company. This is not a route for taking up any personal grievance.

2 **Guiding Principle**

- (i) To ensure that this policy is adhered to and to ensure that the concerns reported are acted upon seriously and confidentially
- (ii) that the whistle blower is not victimized for reporting this concern
- (iii) to treat victimization as a serious matter
- (iv) the matter will be kept confidential
- (v) provide an opportunity of being heard to the persons involved including the subject

3 **Coverage** : This policy covers malpractices and events, which have taken place/or is suspected to take place, involving

- a) abuse of activity
- b) breach of contract
- c) Negligence causing substantial danger to public health and safety
- d) Manipulation of Company data/records
- e) Financial irregularities including fraud or suspected fraud
- f) Criminal Office

- g) Pilferation of confidential / proprietary information
- h) Deliberate violation of Law / Regulation
- i) Wastage / misappropriation / pilferage of Company funds/assets
- j) Breach of employee code of conduct or rules
- k) Any other unethical biased, favoured imprudent event.

The policy is not to be misused for raising unfounded malicious allegations against colleagues.

4 It will be ensured that genuine whistle blowers are accorded complete protection from any kind of unfavour treatment. Any abuse of this protection will, however, invite disciplinary action.

Protection will not mean protection from disciplinary action arising out of false or bogus allegation made by a whistle blower knowing it to be false or bogus or with a malafide intention.

5(a) Employees can make protected disclosure to the nominated ombudsperson as soon as possible but not later than 30 consecutive days after becoming aware of the incident. Whistle Blower must reveal their names while making the allegations. Anonymous complaints will not be considered

(b) i) If initial enquiries by the ombudsperson indicate that the concern has no basis or it is not a matter to be investigated under this policy, it may be dismissed at this stage and decision recorded.

ii) If such inquiries indicate that further investigation is warranted or necessary this will be carried through the ombudsperson or by a whistle blower/committee nominated by the ombudsperson for this purpose. The investigation will be conducted in a fair manner without bias and without presumption of guilt. A written report of the findings will be made.

iii) Name of the whistle blower shall not be disclosed to the whistle officer or committee

6) The ombudsperson/whistle blower / Committee shall make a detailed written record of the protected disclosure. This record will contain the following:

- a) Fact of the matter
- b) Whether the same protected disclosure was raised previously by any one and if so the outcome thereof.



- c) Financial or otherwise loss incurred or likely to be incurred by the Company
  - d) Findings of the ombudsperson / whistle officer/committee
  - e) Recommendations by the ombudsperson/ whistle officer/committee on disciplinary or other action.
- 7) The whistle officer/committee shall finalize and submit the report to the ombudsperson within 15 days of being nominated or appointed. After submission of the report, the whistle officer/committee shall discuss the matter with the ombudsperson, who shall
- i) in case the protected disclosure is proved, accept the findings of the whistle officer/committee and take such disciplinary action as he may think fit and also take preventive measures to avoid any recurrence.
  - ii) in case the protected disclosure is not proved, close the matter or if the matter is serious, refer to the committee of whole time directors. The committee of directors may refer the matter to the Audit Committee, who can further place the matter before the Board
  - iii) In very exceptional cases, if the whistle blower is not satisfied with the outcome of the investigation and the decision, he can make a direct appeal to the Chairman of the Audit Committee.
- 8) **Protection:** No unfair treatment will be meted out to a whistle blower nor shall he be victimized. The Company, as a policy, will not tolerate any kind of discrimination , harassment or any other unfair employment practice being adopted against the whistle blower. Complete protection will be given to the whistle blower against any such unfair practice. The identity of the whistle blower and any other employee assisting in the said investigation or furnishing evidence shall also be protected to the same extent as the whistle blower.
- 9) **Secrecy:** The whistle blower, the subject, the whistle blower officer and every one involved in the process –
- a) shall maintain complete confidentiality of the matter
  - b) shall not discuss the matter in any informal/social gatherings/ meetings
  - c) shall discuss only to the extent or with the persons required for the purpose of completing the process and investigations
  - d) shall not keep the concerned papers unattended anywhere at any time.
  - e) shall keep the electronic mails/files under password and shall not reveal the passwords.
- If anyone is found not complying with the above he shall be liable for disciplinary action as considered it.
- 10) A quarterly report about the number of complaints received under this policy and their outcome shall be placed before the Audit Committee and the Board.
- 11) If the investigation leads to the conclusion of improper/unethical act, suitable disciplinary action shall be taken against the concerned person.
- 12) **Retention of the Documents:**  
Protected disclosures in writing or documents along with the results of investigation shall be retained by the company for a minimum period of 10 years.
- 13) **Modifications**  
The Managing Director of the Company has right to amend or modify this policy in whole or in part at any time without assigning any reasons. The Managing Director will, however, place the modified policy to the Board for its information.



**Board's Report**

Annexure - VII

Particulars pursuant to section 197(12) and the relevant rules:

a) The ratio of the remuneration of each director to the median employee's remuneration for the Financial year and such other details: **No remuneration except Sitting Fees is paid to Directors. For this purpose, Sitting fees paid to the Directors have not been considered as Remuneration.**

b) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the Financial year:

Sl.No	Name	Designation	% of Increase
1	Mr K Kandasamy	Managing Director	23.86%
2	Mr N Subramanian	Company Secretary	8.46%
3	Mr R Muralidharan	Chief Financial Officer	Newly appointed on 1st September.2014

c) The percentage increase in the median remuneration of employees in the Financial year: **17.33%**

d) The number of permanent employees on the rolls of company as on 31st Mar 2015: **47**

e) The explanation on the relationship between average increase in remuneration and company performance: The average increase in the remuneration of the permanent employees is 17.33%, while performance of the Company had improved by 14.79%. However, the employees are all on permanent rolls of the Company and the annual increase in cost of living index has to be compensated suitably, besides increments in the normal course and hence an increase slightly higher than the increase in the performance has been allowed.

f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

Name	Designation	CTC (Rs.In lakhs)	% Increase in CTC	PAT	% increase in PAT
Mr K Kandasamy	Managing Director	18.17	23.86%	Rs.15.36 lakhs	-
Mr N Subramanian	Company Secretary	6.92	8.46%		
	Total	25.09	19.19%		
Mr R Muralidharan	Chief Financial Officer	4.47	-	Newly appointed with effect from 01.09.2014	

g) Variation in the market capitalization of the Company, Price Earnings ratio as at the closing date of the current Financial year and previous Financial year and percentage increase or decrease in the market quotations of the shares of the Company in comparison to the rate at which the company came out with the last public offer:

Date	Issued Capital Rs In Lakhs	Closing Market price per share	EPS	PE Ratio	Market Capitalisation Rs In Lakhs
31.03.2014	499.00	3.92	0.68	5.76	195.78
31.03.2015	499.00	4.50	0.31	14.52	224.75
Increase/(Decrease)	-	0.58	(0.37)	8.75	28.97
% Increase/(Decrease)	-	15.79%	(54.41)	151.90	14.79%
Issue price of the Share at the last Public Offer (IPO)	Last IPO was more than 20 years back				
Increase in market price as on 31.03.2015 as compared to Issue Price of IPO	-	-	-	-	-
Increase in %	-	-	-	-	-

h) Average percentile increase already made in the salaries of employees' other than the managerial personnel in the last Financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Apparent higher increase in the case of one Key Managerial Personnel i.e. Managing Director is due to inclusion of contribution to Provident Fund, contribution to Superannuation, besides Gratuity. He was earlier in the pay scale of Rs.85000-5000-105000 from 25.06.2009. His basic pay on 24.06.2014 on completion of 5 years should normally be Rs.105000/- per month. However he continued to receive his remuneration for the whole year 2013-14 at the basic pay of Rs.85000/- per month without taking into account the annual increments, which have fallen due during the 4 years i.e.2010 to 2014. Taking this into account, at the time of re-appointment on 25.06.2014 in the year 2014-15, his pay was fixed at Rs.105000/-per month along with the usual perquisites. Hence the apparent higher increase of 23.86% as against 17.33% for employees.

i) The Key parameters for any variable component of remuneration availed by the Directors: **Not Applicable as Directors other than the Managing Director are paid only sitting fees.**

j) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: **Not Applicable**

k) if remuneration is as per the remuneration policy of the Company: **Yes**



**INDEPENDENT AUDITOR'S REPORT**

**To the Members of M/s. Dharani Finance Limited**

**Report on the Financial Statements**

We have audited the accompanying standalone financial statements of M/s. Dharani Finance Limited ("the company"), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 stand alone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2015, and its profit/loss and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the Paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that:
  - a. We have sought and 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;





## DHARANI FINANCE LIMITED

- c. The Balance sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with this Report are in agreement with the books of account;
- d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of sub-section (2) of section 164 of the Act, and
- f. The company has adequate internal financial controls system in place and the operating effectiveness of such controls
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For K. RAMKRISH & CO.,**  
Chartered Accountants  
Firm's Registration # 003017S)

**(S. Baskar Shrinivas)**  
Partner  
Membership # 209004

Chennai  
27.05.2015



**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2015, 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 fixed assets, which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. In accordance with such programmes, the management has physically verified fixed assets during the year and no material discrepancies were noticed on such verification.

2. The Company's nature of operations does not require it to hold inventories. Accordingly, paragraph 3(ii) of the order is not applicable.
3. The Company has not granted any loans secured or unsecured to companies firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, 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. 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 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under are not applicable.
6. According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Companies Act, 2013, in respect of services carried out by the company.
7. 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, wherever applicable, in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employee's State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Value Added Tax, Cess and any other statutory dues.

According to the information and explanations given to us, no undisputed dues payable in respect of Provident Fund, Employee's State Insurance, Income-tax, Sales Tax, Wealth Tax, Customs Duty And Cess were outstanding as at 31<sup>st</sup> March 2015 for a period of more than six months from the date they became payable.

**b) Statement of Disputed Dues**

<i>Nature of the statute</i>	<i>Nature of the dues</i>	<i>Amount Rs. In Lakhs</i>	<i>Period to which the amount relates</i>	<i>Forum where dispute is pending</i>
NIL	NIL	NIL	NIL	NIL

- c) The Company does not have any amount which is required to be transferred to investor Education and Protection Fund in accordance with the relevant provisions of the companies Act, 1956 (1 of 1956) and rules there under.
8. The Company's accumulated losses do not exceed fifty percent of its net worth. The company has not incurred cash loss in the financial year covered by our audit and in the financial year immediately preceding such financial year.
9. The Company did not have any outstanding dues to Banks /financial institutions/debenture holders during the year.
10. 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.
11. The Company has not obtained any term loans.
12. 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)

Chennai  
27.05.2015

**(S. Baskar Shrinivas)**  
Partner  
Membership # 209004



## DHARANI FINANCE LIMITED

### Balance Sheet as at March 31, 2015

(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No.	As at 31-03-2015	As at 31-03-2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	4,99,72,000	4,99,72,000
Reserves and surplus	4	1,89,42,372	1,74,05,863
		<b>6,89,14,372</b>	6,73,77,863
<b>Non-current liabilities</b>			
Other long term liabilities	5	2,89,100	2,73,600
Long term Provisions	6	14,89,440	13,31,161
		<b>17,78,540</b>	16,04,761
<b>Current liabilities</b>			
Other current liabilities	7	43,76,858	44,41,560
Short Term Provisions	8	11,17,931	3,56,814
		<b>54,94,789</b>	47,98,374
<b>TOTAL</b>		<b>7,61,87,700</b>	7,37,80,998
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
<b>Tangible assets</b>			
	9	18,58,365	24,72,087
Non-current investments	10	1,89,70,118	2,90,14,513
Deferred tax assets (net)		34,10,629	38,54,963
Long-term loans and advances	11	24,16,377	15,56,606
Other Non-Current assets	14	36,25,986	33,36,683
		<b>3,02,81,475</b>	4,02,34,851
<b>Current assets</b>			
Trade receivables	12	1,73,96,834	1,75,72,940
Cash and bank balances	13	2,60,12,659	1,28,88,393
Short-term loans and advances	11	-	7,67,270
Other current assets	14	24,96,731	23,17,544
		<b>4,59,06,225</b>	3,35,46,147
<b>TOTAL</b>		<b>7,61,87,700</b>	7,37,80,998
Summary of significant accounting policies	2		
The accompanying notes are an integral part of the financial statements.	20		
As per our report of even date			

Signatories to Notes 1 to 20

**For K. RAMKRISH & CO**

**Firm Regn No : 003017S**

**Chartered Accountants**

For and on behalf of the board of directors of

**S. Baskar Shrinivas**

Partner

Membership No:209004

**N.Subramanian**

Company Secretary

**K. Kandasamy**

Managing Director

**Dr Palani G Periasamy**

Chairman

**R Muralidharan**

Chief Financial Officer

Place : Chennai  
Date : 27/05/2015



**DHARANI FINANCE LIMITED**

**Statement of Profit & Loss Account for the year ended March 31, 2015**

(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	Note No	For the year Ended 31-03-2015	For the year Ended 31-03-2014
<b>REVENUE</b>			
Revenues from operations	15	<b>2,32,21,933</b>	2,09,87,473
Other income	16	<b>57,65,078</b>	1,05,92,957
<b>Total</b>		<b>2,89,87,011</b>	3,15,80,430
<b>EXPENSES</b>			
Costs of Revenues		-	-
Employee benefits expense	17	<b>1,17,00,925</b>	1,02,33,281
Other expenses	18	<b>1,45,66,521</b>	1,21,24,782
<b>Total</b>		<b>2,62,67,446</b>	2,23,58,063
<b>Earnings before interest, tax, depreciation and amortization (EBITDA) (I) - (II)</b>		<b>27,19,565</b>	92,22,367
Depreciation and amortization expense	19	<b>6,13,721</b>	67,72,156
<b>Profit/(loss) before tax</b>		<b>21,05,844</b>	24,50,211
<b>Tax Expenses</b>			
Current tax		<b>10,00,000</b>	4,50,000
MAT Entitlement credit		<b>(8,75,000)</b>	-
Deferred tax		<b>4,44,335</b>	(13,80,490)
<b>Total</b>		<b>5,69,335</b>	(9,30,490)
<b>Profit After Tax</b>		<b>15,36,509</b>	33,80,701
<b>Earnings per equity share</b>			
(a) Basic		<b>0.31</b>	0.68
(a) Diluted		<b>0.31</b>	0.68

Summary of significant accounting policies 2  
The accompanying notes are an integral part of the financial statements. 20

As per our report of even date

Signatories to Notes 1 to 20

**For K. RAMKRISH & CO**  
**Firm Regn No : 003017S**  
**Chartered Accountants**

For and on behalf of the board of directors of

**S. Baskar Shrinivas**  
Partner  
Membership No:209004

**N.Subramanian**  
Company Secretary

**K. Kandasamy**  
Managing Director

**Dr Palani G Periasamy**  
Chairman

**R Muralidharan**  
Chief Financial Officer

Place : Chennai  
Date : 27/05/2015



**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 II of the Companies Act, 2013.

Depreciation has been charged proportionately for the period the Assets had been in use.

The cost of all the leased assets are amortized fully during lease period and lease equalization charge is accordingly provided.

**III. INVESTMENTS**

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

**IV. RETIREMENT BENEFITS**

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

**V. TAXATION**

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

The Status and Break up as of 31.03.2015 is given below :-

DESCRIPTION	ASSET
Timing Difference in Depreciable Asset	22.48
Timing difference in Provision against NPA	3.31
Timing Difference in Provision for Bonus	1.42
Timing Difference in Provision for Gratuity & Leave Encashment	6.90
<b>Total</b>	<b>34.11</b>
<b>Net Deferred Tax Asset</b>	<b>34.11</b>

**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 31<sup>ST</sup> MARCH 2015  
INFORMATION ABOUT PRIMARY BUSINESS SEGMENTS**

(Rs. in Lakhs)

<b>PARTICULARS</b>	<b>FINANCIAL SERVICES</b>	<b>TRAVEL OPERATIONS</b>	<b>Export Services</b>	<b>UNALLOCATED</b>	<b>TOTAL</b>
<b>REVENUE</b>					
Financial Charges	7.48	-	-	-	7.48
Travel Operation	-	224.74	-	-	224.74
Export Services	-	-	-	-	-
Other Income	55.70	1.95	-	-	57.65
<b>Total Revenue</b>	<b>63.18</b>	<b>226.69</b>	<b>-</b>	<b>-</b>	<b>289.87</b>
<b>RESULT</b> Segment Result	(42.12)	63.18	-	-	21.06
Unallocated Corporate Expenses	-	-	-	-	-
Operating Profit	-	-	-	-	21.06
Interest Expenses	-	-	-	-	-
Interest Income	-	-	-	-	-
Income Taxes	-	-	-	5.69	5.69
Profit from Ordinary Activities	-	-	-	-	15.37
Extra Ordinary items	-	-	-	-	-
<b>NET PROFIT / (LOSS)</b>	(42.12)	63.18	-	5.69	15.37
<b>OTHER INFORMATION</b>					
Segment Assets	452.74	245.27	-	-	698.01
Unallocated Corporate assets	-	-	-	24.73	24.73
<b>Total assets</b>	<b>452.74</b>	<b>245.27</b>	<b>-</b>	<b>24.73</b>	<b>722.74</b>
Segment Liabilities	8.90	21.89	2.80	-	33.59
Unallocated Corporate liabilities	-	-	-	34.12	34.12
<b>Total liabilities</b>	<b>8.90</b>	<b>21.89</b>	<b>2.80</b>	<b>34.12</b>	<b>67.71</b>
Capital Expenditure	-	-	-	-	-
Depreciation	-	6.14	-	-	6.14
Non-cash expenses other than depreciation	7.09 (0.06)	-	-	21.80 (3.91)	28.89 (3.97)



## DHARANI FINANCE LIMITED

Notes to Financial Statements for the year ended March 31, 2015 Contd.,  
(All Amounts are in Indian Rupees unless otherwise specified)

### 3 SHARE CAPITAL

Particulars	31-03-2015	31-03-2014
<b>Authorized shares</b> 50,00,000 Equity Shares of Rs.10/- each ( Previous Year - 50,00,000 Equity Shares of Rs.10/- each )	<b>5,00,00,000</b>	5,00,00,000
<b>Issued &amp; Subscribed Share Capital</b> 49,94,400 Equity shares of Rs.10/- each ( Previous year - 49,94,400 Equity shares of Rs.10/- each)	<b>4,99,44,000</b>	4,99,44,000
<b>Paid up Share Capital</b> 49,94,400 Equity shares of Rs.10/- each ( Previous year - 49,94,400 Equity shares of Rs.10/- each)	<b>4,99,44,000</b>	4,99,44,000
Add: Equity shares forfeited (paid up)	<b>28,000</b>	28,000
<b>Total</b>	<b>4,99,72,000</b>	4,99,72,000

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

Equity Shares	31-03-2015		31-03-2014	
	No.	Amount	No.	Amount
At the beginning of the period	49,94,400	4,99,44,000	49,94,400	4,99,44,000
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>49,94,400</b>	<b>4,99,44,000</b>	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 2015, the amount of per share dividend recognized as distributions to equity shareholders was Rs.NIL (31 March 2014: 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 shareholders holding more than 5% shares in the Company

Class of Shares / Name of the Share holders	31-03-2015		31-03-2014	
	No.	% holding in the class	No.	% holding in the class
<b>Equity shares with voting rights</b>				
Dr. Palani G Periasamy	3,53,112	7.07	3,53,112	7.07



## DHARANI FINANCE LIMITED

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>4 RESERVES &amp; SURPLUS</b>		
<b>Statutory Reserve</b>		
Balance as per the last financial statements	1,01,46,865	94,70,725
Add: Amount transferred from surplus balance in the statement of profit and loss	3,07,302	6,76,140
Closing Balance - (A)	1,04,54,167	1,01,46,865
<b>SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT AND LOSS</b>		
Balance as per last financial statements	72,58,998	45,54,437
Profit/(loss) for the year	15,36,509	33,80,701
Less: Appropriations		
Transfer to General Reserve	-	-
Transfer to Statutory Reserve	(3,07,302)	(6,76,140)
Net surplus/(deficit) in the Statement of Profit and Loss - (B)	84,88,205	72,58,998
Total Reserves & Surplus - (A+B)	1,89,42,372	1,74,05,863
<b>5 OTHER LONG TERM LIABILITIES</b>		
Others (Deposits)	2,89,100	2,73,600
<b>Total</b>	<b>2,89,100</b>	<b>2,73,600</b>
<b>6 LONG TERM PROVISIONS</b>		
Provision for Gratuity	14,35,679	12,61,494
Provision for compensated absences	53,761	20,518
Contingent Provision against Standard Assets	-	49,149
<b>Total</b>	<b>14,89,440</b>	<b>13,31,161</b>
<b>7 OTHER CURRENT LIABILITIES</b>		
Unpaid / unclaimed dividends	22,60,020	22,63,220
Statutory Payables	1,74,818	1,49,126
Accrued Expenses	19,42,020	20,29,214
<b>Total</b>	<b>43,76,858</b>	<b>44,41,560</b>
<b>8 SHORT TERM PROVISIONS</b>		
<b>Provision for employee benefits:</b>		
(i) Provision for gratuity (net)	2,06,339	1,58,735
(ii) Provision for compensated absences	3,28,076	1,82,850
(iii) Provision for Leave Travel Allowance	80,500	-
<b>Provision for income tax (Net off Advance tax )</b>	<b>5,03,016</b>	<b>15,229</b>
<b>Total</b>	<b>11,17,931</b>	<b>3,56,814</b>





**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

**9 TANGIBLE ASSETS**

Description	Plant and Machinery	Furniture & Fixtures	Motor Vehicles	Office Equipments	Total
<b>Cost or valuation</b>					
At 1 April 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
<b>At 31 March 2014</b>	<b>3,61,92,521</b>	<b>29,12,890</b>	<b>4,48,34,103</b>	<b>35,60,307</b>	<b>8,74,99,821</b>
Additions	-	-	-	-	-
Disposals	-	-	26,48,000	-	26,48,000
<b>At 31 March 2015</b>	<b>3,61,92,521</b>	<b>29,12,890</b>	<b>4,74,82,103</b>	<b>35,60,307</b>	<b>9,01,47,821</b>
<b>Depreciation</b>					
At 1 April 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	67,72,155
Disposals	-	-	21,02,189	-	21,02,189
<b>At 31 March 2014</b>	<b>1,10,47,874</b>	<b>28,64,736</b>	<b>4,34,44,880</b>	<b>25,25,597</b>	<b>5,98,83,087</b>
Charge for the year	-	5,350	2,77,845	3,30,526	6,13,721
Disposals	-	-	26,48,000	-	26,48,000
<b>At 31 March 2015</b>	<b>1,10,47,874</b>	<b>28,70,087</b>	<b>4,63,70,724</b>	<b>28,56,123</b>	<b>6,31,44,808</b>
<b>Impairment</b>					
At 1 April 2013	2,51,44,647	-	-	-	2,51,44,647
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 March 2014</b>	<b>2,51,44,647</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,51,44,647</b>
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
<b>At 31 March 2015</b>	<b>2,51,44,647</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,51,44,647</b>
<b>Net Block</b>					
At 31 March 2014	-	48,154	13,89,223	10,34,710	24,72,087
<b>At 31 March 2015</b>	<b>-</b>	<b>42,803</b>	<b>11,11,378</b>	<b>7,04,184</b>	<b>18,58,365</b>



## DHARANI FINANCE LIMITED

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31-03-2015	As at 31-03-2014
<b>10. NON CURRENT INVESTMENTS</b>		
<b>(A) Investments at cost - Trade - Quoted</b>		
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. 2,68,182 Shares @ Rs.30.91 each (PY: 2,48,039 Shares @ Rs.31.96 each)	<b>82,88,553</b>	79,25,845
South Indian Bank Ltd. (PY: 17,120 Shares @ Rs.5.28 each)	-	90,394
Maruti Industrial Carbo Hydrates 600 Shares @ Rs.10/- each (PY: 600 Shares @ Rs.10/- each)	<b>6,000</b>	6,000
Indbank Merchant Bank Services Ltd. 5,000 Shares @ Rs.43.50 each (PY: 5,000 Shares @ Rs.43.50 each)	<b>2,17,500</b>	2,17,500
Sri Nachammai Cotton Mills Ltd. 700 Shares @ Rs.70/- each (PY: 700 Shares @ Rs.70/- each)	<b>49,000</b>	49,000
Central Bank of India Ltd. (PY: 1,322 Shares @ Rs.102/- each)	-	1,35,479
Harig Crank Shafts Ltd. 5,000 Shares @ Rs.4.36 each (PY: 5,000 Shares @ Rs.4.36 each)	<b>21,808</b>	21,808
Bank of India 1,000 Shares @ Rs.434.39 each (PY: 1,000 Shares @ Rs.434.39 each)	<b>4,34,390</b>	4,34,390
Canara Bank (PY: 700 Shares @ Rs.228.01 each)	-	1,59,606
Corporation Bank 500 Shares @ Rs.286.99 each (PY: 500 Shares @ Rs.286.99 each)	<b>1,43,497</b>	1,43,497



## DHARANI FINANCE LIMITED

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	As at 31-03-2015	As at 31-03-2014
HDFC Bank 16,529 Shares @ Rs.625.90 each (PY - 20,729 shares @ Rs. 617.14 each)	1,03,45,551	1,27,92,607
HDFC Ltd (PY: 355 Shares @ Rs.717.59 each)	-	2,54,745
IDFC 7,000 Shares @ Rs.181.88 each (PY: 7,000 Shares @ Rs.181.88 each)	12,73,125	12,73,125
LARSEN & TOUBRO (PY: 1,075 Shares @ Rs.910.92 each)	-	9,79,237
RELIANCE INDUSTRIES 3,124 Shares @ Rs.1,139.91 each (PY: 3,124 Shares @ Rs.1,139.91 each)	35,61,083	35,61,083
STATE BANK OF INDIA 4,000 Shares @ Rs.153.93 each (PY: 1,100 Shares @ Rs.1,812.62 each)	6,15,732	19,93,878
TATA MOTORS (PY: 1,160 Shares @ Rs.222.56 each)	-	2,58,166
<b>Total</b>	<b>2,49,56,238</b>	3,02,96,359
<b>INVESTMENT IN MUTUAL FUNDS</b>		
LIC Nomura Mutual fund - Equity Fund (PY: 62,063.818 Units @ Rs.26.93 each)	-	16,71,360
UTI Infra Structure fund - Growth Plan (PY: 25,462.687 Units @ Rs.33.50 each)	-	8,53,000
<b>Total</b>	-	25,24,360
<b>Total</b>	<b>2,49,56,238</b>	3,28,20,719
<b>Total Trade (A)</b>		
<b>(B) Other Investment Total - Other Investment (B)</b>		
<b>Total Investments (A + B)</b>	<b>2,49,56,238</b>	3,28,20,719
Less: Provision for dimunition in value of Investments	59,86,120	38,06,206
<b>Total</b>	<b>1,89,70,118</b>	2,90,14,513
Aggregate value of listed but not quoted investments	6000	6000
Aggregate amount of unquoted investments	-	-
Aggregate amount of quoted investments	2,49,50,238	3,28,14,719
Aggregate market value of listed and quoted investments	2,61,55,625	3,30,29,023


**DHARANI FINANCE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

11 LOANS AND ADVANCES	Non-current		Current	
	31-03-2015	31-03-2014	31-03-2015	31-03-2014
<b>Capital advances</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful advances	-	-	-	-
<b>(A)</b>	-	-	-	-
<b>Security Deposit</b>				
Secured, considered good	2,08,606	2,08,606	-	-
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Provision for doubtful security deposit	-	-	-	-
<b>(B)</b>	2,08,606	2,08,606	-	-
<b>Loans &amp; advances to related parties</b>				
Secured, Considered good	-	-	-	-
Unsecured, Considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Allowances for bad and doubtful debts	-	-	-	-
<b>(C)</b>	-	-	-	-
<b>Loans and advances to employees</b>				
Secured, considered good	-	-	-	9,000
Unsecured, considered good	-	-	-	-
Doubtful	-	-	-	-
Less: Provision for doubtful loans and advances	-	-	-	9,000
<b>(D)</b>	-	-	-	9,000
<b>Advance income tax (net of provisions)</b>				
<b>(E)</b>	13,32,771	13,48,000	-	-
	13,32,771	13,48,000	-	-
<b>MAT Entitlement credit</b>				
<b>(F)</b>	8,75,000	-	-	-
	8,75,000	-	-	-
<b>Balances with government authorities</b>				
Unsecured, considered good				
(i) CENVAT credit receivable	-	-	-	-
(ii) VAT credit receivable	-	-	-	-
(iii) Service Tax credit receivable	-	-	-	-
<b>(G)</b>	-	-	-	-
<b>Other loans and advances - Vehicles</b>				
Secured, considered good	-	-	-	-
Unsecured, considered good	-	-	-	7,58,270
Doubtful	2,16,797	2,16,797	7,58,270	-
Less: Provision for other doubtful loans and advances	2,16,797	2,16,797	7,58,270	-
<b>(H)</b>	-	-	-	7,58,270
<b>TOTAL (A+B+C+D+E+F+G+H)</b>	<b>24,16,377</b>	<b>15,56,606</b>	<b>-</b>	<b>7,67,270</b>





## DHARANI FINANCE LIMITED

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
<b>15 INCOME FROM OPERATIONS</b>		
Income from Financial services	34,002	1,60,553
Income from Travel Operations	2,24,74,111	1,98,23,883
Interest Income	7,13,820	10,03,038
<b>Total</b>	<b>2,32,21,933</b>	<b>2,09,87,473</b>
<b>16 OTHER INCOME</b>		
Dividend from Long Term Investments	2,63,492	5,63,704
Gain on Sale of Investments (Net)	52,96,171	87,07,352
Profit on Sale of Asset	1,95,000	1,67,250
Training fees	10,415	11,54,650
<b>Total</b>	<b>57,65,078</b>	<b>1,05,92,957</b>
<b>17 EMPLOYEE BENEFITS EXPENSES</b>		
Salaries and allowances	84,87,591	79,17,352
Contributions to PF, ESI and Other funds	12,23,037	6,90,378
Staff welfare expenses	1,73,412	1,58,196
Directors Remuneration	18,16,885	14,67,355
<b>Total</b>	<b>1,17,00,925</b>	<b>1,02,33,281</b>
<b>18 OTHER EXPENSES</b>		
Rent and Electricity	6,19,332	6,37,211
Insurance	7,70,171	9,95,088
Rates & Taxes	-	26,836
Postage and Telephone	4,88,978	3,85,712
Audit Fees	67,416	67,416
Legal professional & consultancy charges	2,41,236	2,71,931
Advertisement, publicity and sales promotion	3,85,651	4,54,463
Adjustment to carrying amount of investments	21,79,912	3,90,507
Contingent provision against Standard Assets	(49,149)	6,161
Provision against NPA - Loan	7,58,270	-
Directors' sitting fees	36,000	36,000
Fuel & Vehicle Maintenance	81,69,461	73,46,076
Repairs and Maintenance	37,045	33,173
Miscellaneous expenss	8,39,496	14,66,175
Bank charges	22,701	8,034
<b>Total</b>	<b>1,45,66,521</b>	<b>1,21,24,782</b>



**DHARANI FINANCE LIMITED**

**Notes to Financial Statements for the year ended March 31, 2015 Contd.,**  
(All Amounts are in Indian Rupees unless otherwise specified)

Particulars	For the year ended 31-03-2015	For the year ended 31-03-2014
<b>Payment to auditor</b>		
<b>As auditor:</b>		
<b>Audit fee</b>	60,000	60,000
<b>Limited review</b>	-	
<b>Service Tax</b>	7,416	7,416
<b>In other capacity:</b>		
<b>Other services (certification fees)</b>	40,000	-
<b>Reimbursement of expenses</b>	-	-
	<b>1,07,416</b>	<b>67,416</b>
<b>19 DEPRECIATION AND AMORTIZATION EXPENSE</b>		
<b>Depreciation of Tangible Assets</b>	<b>6,13,721</b>	<b>67,72,156</b>
<b>Total</b>	<b>6,13,721</b>	<b>67,72,156</b>

**NOTES ON ACCOUNTS**

**Note 20**

**20.1. 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.

<b>20.2. Expenditure on Employees</b>	<b>2014-2015</b>	<b>2013-2014</b>
(a) Number of employees employed throughout the period and were in receipt of remuneration of more than Rs.60,00,000/-p.a.	<b>NIL</b>	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	<b>NIL</b>	NIL

20.3. (a) Expenditure in Foreign currency

**NIL**

NIL

(b) Earnings in Foreign Exchange

**NIL**

NIL

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

20.5. 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.

**DHARANI FINANCE LIMITED****Notes on Accounts Contd.,****20.6. Managerial Remuneration**

(Rupees)

Managing Director	2014-2015	2013-2014
A Salary	<b>1204000.00</b>	1020000.00
Perquisites		
HRA	<b>90000.00</b>	90000.00
Medical Reimbursement	<b>108012.00</b>	84996.00
LTA	<b>80500.00</b>	-
Total A	<b>1482512.00</b>	1194996.00
B Provident Fund @ 12%	<b>136800.00</b>	122400.00
Superannuation @15%	<b>180600.00</b>	153000.00
Gratuity	<b>16973.00</b>	(3041.00)
Total B	<b>334373.00</b>	272359.00
Total A+B	<b>1816885.00</b>	1467355.00

**20.7. 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 Mr.K Kandasamy – Managing Director Mrs. Vishlakshi Periasamy – Director

**(b) Aggregated Related Party transactions during 2014-2015**

Value in Lakhs

	Associate Companies	Key Management Personnel
Remuneration paid to	NIL	18.17
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)	314.90	NIL
Outstanding as on 31.03.2015 against services rendered during the year.	170.54	NIL

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



**Notes on Accounts Contd.,**

20.9. Disclosure as per AS – 15 (Revised) 'Employee benefits' for the year ended 31.03.2015

Description of Benefits Plan	Unfunded Gratuity
Present value of projected benefit obligations	16,42,018/-
<b>A) Actuarial assumptions</b>	<b>31.03.2015</b>
Discount rate	7.80%
Salary escalation rate	5%
Attrition Rate	10%

The present value of obligation towards compensated absences, as per actuarial certificate, as on 31.03.2015 was Rs.3,81,837/- and is provided for in the books of accounts.

20.10. 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	2014-2015	2013-2014
Loans & Advances	2.17	2.17
Other Loans - Vehicle	7.58	-
<b>Total</b>	<b>9.75</b>	<b>2.17</b>

20.11. Earnings Per Share:

Particulars	2014-2015	2013-2014
a) Net Profit/(Loss) as per Profit & Loss Account (Rs.in Lakhs)	15.37	33.81
b) No. of Equity Shares	49,94,400	49,94,400
c) Earnings per Share (in Rupees)	0.31	0.68

20.12. Dues to Small- Scale Industrial undertakings

The Company has no outstanding dues to small-scale industrial undertakings as on 31st March 2015 and 31st March 2014.

Signatories to Notes 1 to 20

**For K. RAMKRISH & CO**  
**Firm Regn No : 003017S**  
**Chartered Accountants**

For and on behalf of the board of directors of

**S. Baskar Shrinivas**  
Partner  
Membership No:209004

**N.Subramanian**  
Company Secretary

**K. Kandasamy**  
Managing Director

**Dr Palani G Periasamy**  
Chairman

Place : Chennai  
Date : 27/05/2015

**R Muralidharan**  
Chief Financial Officer





(Rs. in Lakhs)

5	Borrower group-wise classification of all assets, Furnished 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	173.35	173.35
	2. Other than related parties	Nil	10.45	10.45
	<b>Total</b>	<b>Nil</b>	<b>183.80</b>	<b>183.80</b>

Investor group-wise classification of all investments (Current and long term) in shares and securities (both quoted and unquoted) :

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	38.35	38.35
	2. Other than related parties	223.21	151.35
	<b>Total</b>	<b>261.56</b>	<b>189.70</b>
7	Other Information	Amount Outstanding	
	(i) Gross Non-performing Assets		
	(a) Related parties		Nil
	(b) Other than related parties		9.75
	(ii) Net Non-performing Assets		
	(a) Related parties		Nil
	(b) Other than related parties		Nil
	(iii) Assets acquired in satisfaction of debt		Nil



## DHARANI FINANCE LIMITED

### Cash Flow Statement for the year ended 31 March, 2015

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		<b>21.06</b>		24.50
<i>Adjustments for:</i>				
Depreciation and amortisation	<b>6.14</b>		67.72	
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	<b>(1.95)</b>		(1.67)	
Expense on employee stock option scheme				
Finance costs				
Interest income				
Dividend income	<b>(2.63)</b>		(5.64)	
Net (gain) / loss on sale of investments	<b>(52.96)</b>		(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	<b>21.80</b>		3.91	
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	<b>(0.49)</b>		0.06	
Provision for Non Performing assets	<b>7.58</b>		-	
Other non-cash charges (specify)				
Net unrealised exchange (gain) / loss				
		<b>(22.52)</b>		(22.69)
Operating profit / (loss) before working capital changes		<b>(1.46)</b>		1.81
<i>Changes in working capital:</i>				
<i>Adjustments for (increase) / decrease in operating assets:</i>				
Trade receivables	<b>1.76</b>		2.24	
Short-term loans and advances	<b>0.09</b>		39.13	
Long-term loans and advances	<b>(8.60)</b>		(13.48)	
Other current assets	<b>(1.79)</b>	<b>(8.54)</b>	(21.96)	5.93
Other non-current assets				
<i>Adjustments for increase / (decrease) in operating liabilities:</i>				
Other current liabilities	<b>(0.65)</b>		6.75	
Other long-term liabilities	<b>0.16</b>		0.11	
Adjustment for Tax Provision and MAT Entitlement Credit	<b>(1.25)</b>		(4.50)	
Short-term provisions	<b>7.61</b>		(0.86)	
Long-term provisions	<b>2.07</b>	<b>7.94</b>	(0.69)	0.80
		<b>(2.06)</b>		8.53
Cash flow from extraordinary items		-		-
Cash generated from operations		<b>(2.06)</b>		8.53
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(2.06)</b>		8.53


**DHARANI FINANCE LIMITED**
**Cash Flow Statement for the year ended 31 March, 2015 (Contd.)**

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-		(49.46)	
Proceeds from sale of fixed assets	1.95		1.68	
Inter-corporate deposits (net)				
Bank balances not considered as Cash and cash equivalents				
- Placed	(43.53)		(33.37)	
- 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	(3.63)		(119.41)	
Proceeds from sale of long-term investments				
- Subsidiaries				
- Associates				
- Joint ventures				
- Business units				
- Others	135.23		183.73	
Loans given				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Loans realised				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Interest received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others				
Dividend received				
- Subsidiaries				
- Associates				
- Joint ventures				
- Others	2.63		5.64	
Rental income from investment properties				
Rental income from operating leases				
Amounts received from partnership firms				
Amounts received from AOPs				
Amounts received from LLPs		92.66		(11.19)
Cash flow from extraordinary items		-		-
		92.66		(11.19)
Net income tax (paid) / refunds		-		-
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>92.66</b>		<b>(11.19)</b>


**DHARANI FINANCE LIMITED**
**Cash Flow Statement for the year ended 31 March, 2015 (Contd.)**

(Rs. in Lakhs)

Particulars	For the year ended 31 March, 2015	For the year ended 31 March, 2014
<b>C. Cash flow from financing activities</b>		
Proceeds from issue of equity shares		
Proceeds from issue of preference shares		
Redemption / buy back or 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		
Dividends paid		
Tax on dividend		
Cash flow from extraordinary items		
<b>Net cash flow from / (used in) financing activities (C)</b>	-	-
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>	<b>90.60</b>	(2.65)
Cash and cash equivalents at the beginning of the year	<b>128.89</b>	131.54
Effect of exchange differences on restatement of foreign currency		
Cash and cash equivalents		
<b>Cash and cash equivalents at the end of the year</b>	<b>219.49</b>	128.89
<b>Reconciliation of Cash and cash equivalents with the Balance Sheet:</b>		
Cash and cash equivalents as per Balance Sheet (Refer Note 13)	<b>260.13</b>	128.88
Less: Bank balances not considered as Cash and cash equivalents as defined in AS 3 <i>Cash Flow Statements</i>	<b>40.63</b>	-
Net Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i> )	<b>219.49</b>	128.88
Add: Current investments considered as part of Cash and cash equivalents (as defined in AS 3 <i>Cash Flow Statements</i> )	-	-
<b>Cash and cash equivalents at the end of the year *</b>	<b>219.49</b>	128.88
* Comprises:		
(a) Cash on hand	<b>0.51</b>	0.83
(b) Cheques, drafts on hand		
(c) Balances with banks		
(i) In current accounts	<b>218.98</b>	128.05
(ii) In EEFC accounts		
(iii) In deposit accounts with original maturity of less than 3 months	-	-
(iv) In earmarked accounts (give details) (Refer Note (ii) below)	-	-
(d) Others (specify nature)		
(e) Current investments considered as part of Cash and cash equivalents	-	-
	<b>219.49</b>	128.88

## 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 of

**S. Baskar Shrinivas**  
 Partner  
 Membership No:209004

**N.Subramanian**  
 Company Secretary

**K. Kandasamy**  
 Managing Director

**Dr Palani G Periasamy**  
 Chairman

 Place : Chennai  
 Date : 27/05/2015

**R Muralidharan**  
 Chief Financial Officer



**AUDITOR'S CERTIFICATE**

We have examined the attached Cash Flow Statement of M/s. DHARANI FINANCE LIMITED for the year ended 31st March 2015. The Statement has been prepared by the Company in accordance with the listing requirements of the Stock Exchange and is based on and derived from the audited accounts of the Company for the year ended 31st March 2015.

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

**S. BASKAR SHRINIVAS**  
Partner  
Membership # 209004

Place : Chennai  
Date : 27-05-2015

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**DHARANI FINANCE LIMITED**

**DHARANI FINANCE LIMITED**

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

**EMAIL ADDRESS REGISTRATION FORM (EARF)**

Name & Address of the Member \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Foilo No. : \_\_\_\_\_

DP ID : \_\_\_\_\_

Client ID : \_\_\_\_\_

Email ID : \_\_\_\_\_

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

Signature of the Shareholder

Place :

Date :

Name of the Shareholder





**DHARANI FINANCE LIMITED**

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Regd. Office : "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 Fifth 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 Friday, 25th September 2015.

Name of the shareholder / proxy"	Signature of the shareholder / proxy*

\*Strike Out shareholder / proxy.

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**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 .....	Signature .....	Signature .....
Or Falling him	Or Falling him	

as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of the Company to be held on **Friday, 25th September 2015**, at 10.00 a.m. at Chennai and at any adjournment 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 te scheduled time of meeting.
  3. Proxy cannot speak at the meeting or vote on a show of hands.

(PTO)



SL.No.	Resolutions	For	Aganist
	<b>ORDINARY BUSINESS</b>		
1	To adopt Audited Statement of Profit and Loss for the Year ended March 31.03.2015 and Balance Sheet.		
2	To Appoint a Director - Dr. Palani G Periasamy		
3	To Appoint Statutory Auditors		
	<b>SPECIAL BUSINESS</b>		
4	To Approve payment of remuneration		
5	To increase Borrowing Powers		

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

### ROUTE MAP



Registered Book Post

To



If Undelivered, Please return to  
**DHARANI FINANCE LIMITED**  
(Secretarial Division)  
**"PGP HOUSE"**

New No.59, (Old No. 57), Sterling Road, Nungambakkam, Chennai - 600 034.