



DHARANI FINANCE LIMITED

Regd. Office "PGP HOUSE" New No. 59, (Old No. 57), Sterling Road, Nungambakkam, Chennai - 600 034.
Tel No. 044-28254176, 28207482, Email: secretarial@dharanifinance.com, Website : www.dharanifinance.com,
CIN - L65191TN1990PLC019152, PAN. No. AAACD1282G, GST No. 33 AAACD1282G2Z3

DFL/BM Results/Dec/ Reg-33/2023

February 12, 2024

The Secretary,
The Stock Exchange, Mumbai
Corporate Relationship Department,
First Floor, New Trading Ring,
Rotunda Building, P J Towers,
Dalal Street, Fort, **Mumbai 400 001**

Dear Sir,

Sub: Outcome- Board Meeting – 12th February 2024 - Unaudited Financial Results of the Company for the quarter ended 31st December 2023.

Ref: Scrip Code – 511451 – Dharani Finance Limited.

In accordance with Regulation 33 read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the following items were discussed and approved in the Meeting of the Board of Directors held on 12th February 2024.

1. Un-audited Financial Results and Segment wise Report for the quarter ended 31st December 2023 is enclosed.
2. Limited review by the Auditors.

The Meeting of the Board of Directors of the Company commenced at 11.30 a.m. and concluded at 12.50 p.m.

This information is also available at the website of the Company (www.dharanifinance.com) and at the websites of the Stock Exchanges where the equity shares of the Company are listed: BSE Limited (www.bseindia.com)

Thanking You,

Yours faithfully,
for Dharani Finance Limited

Dr Palani G Periasamy
Chairman

Encl.: as above

Dharani Finance Limited

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CIN L65191TN1990PLC019152

Statement of standalone audited financial results for the quarter and Nine months ended December 31 2023

(Rs. In Lakhs)

SI No	Particulars	Quarter ended			Nine months ended		Year ended	
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
	Revenue from Operations							
	Interest Income	16.01	5.97	6.05	27.98	18.08	24.00	24.00
	Dividend Income	-	0.04	-	0.05	0.13	0.72	0.01
	Gain on fair value changes	20.99	12.98	4.22	33.97	7.59	7.59	62.34
	Income from services	6.53	6.53	6.53	19.58	19.57	26.10	14.73
1	Total Revenue from Operations	43.53	25.52	16.80	81.58	45.37	58.41	101.08
2	Other Income	0.15	0.07	0.06	0.46	1.48	1.58	7.10
3	Total Income (1+2)	43.67	25.59	16.85	82.04	46.85	59.99	108.18
4	Expenses							
	Finance costs	0.39	0.94	0.90	1.35	1.81	2.09	0.73
	Loss on fair value changes	16.51	23.88	-	48.28	16.46	27.38	34.70
	Employee benefit expenses	1.27	1.23	0.96	3.72	3.06	6.41	5.31
	Depreciation, amortization and impairment	(0.34)	3.89	4.66	7.44	12.43	15.54	15.56
	Other expenses	9.05	3.11	9.32	23.69	15.38	21.24	21.54
	Total Expenses	26.89	33.05	15.84	84.48	49.14	72.65	77.84
5	Profit/ (loss) before exceptional items and tax (3-4)	16.78	(7.46)	1.02	(2.44)	(2.29)	(12.66)	30.34
6	Exceptional items	-	-	-	-	-	-	-
7	Profit/ (loss) before tax (5+6)	16.78	(7.46)	1.02	(2.44)	(2.29)	(12.66)	30.34
8	Tax expense							
	Current tax	-	-	-	-	-	-	-
	Deferred tax	-	-	-	-	-	-	-
	Total Tax Expenses	-	-	-	-	-	-	-
9	Profit/ (loss) for the period from continuing operations (7-8)	16.78	(7.46)	1.02	(2.44)	(2.29)	(12.66)	30.34
10	Profit / (Loss) from discontinued operations	-	-	-	-	-	-	-
11	Tax expense of discontinued operations	-	-	-	-	-	-	-
12	Profit / (Loss) from discontinued operations (after tax) (10-11)	-	-	-	-	-	-	-
13	Profit/ (loss) for the period (11+12)	16.78	(7.46)	1.02	(2.44)	(2.29)	(12.66)	30.34
14	Other comprehensive income , net of income tax							
	a) (i) items that will not be reclassified to profit or loss	-	-	-	-	-	2.18	1.76
	(ii) income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-	-
	b) (i) items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	(ii) income tax relating to items that will be reclassified to profit or loss	-	-	-	-	-	-	-
	Total other comprehensive income , net of income tax	-	-	-	-	-	2.18	1.76
15	Total comprehensive income/ (loss) for the period (13+14)	16.78	(7.46)	1.02	(2.44)	(2.29)	(10.48)	32.10
16	Paid-up equity share capital	499.72	499.72	499.72	499.72	499.72	499.72	499.72
	Face value per share (Rs)	10.00	10.00	10.00	10.00	10.00	10.00	10.00
17	Earning per share (Rs) (not annualised)							
	- Basic	0.34	(0.15)	0.02	(0.05)	(0.05)	(0.25)	0.61
	- Diluted	0.34	(0.15)	0.02	(0.05)	(0.05)	(0.25)	0.61



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Notes:

1. The above financial results were reviewed by the Audit Committee and approved by the Board of Directors of the Company at its Meeting held on 12th February, 2024. The statutory auditors have issued modified opinion on the audited financial results.
2. The above audited financial results have been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other recognised accounting practices and principles generally accepted in India, to the extent applicable.
3. Corporate insolvency resolution process (CIRP) and the appointment of a resolution professional were admitted in the case of one of the major customers of the Company by the Hon'ble National Company Law Tribunal, Chennai Bench vide its order dated May 5, 2020. The total amount due from the above referred major customer to the Company as at December 31, 2023 is Rs.348.31 Lakhs (net of provisions). Claim has been made to the Resolution Professional of the said customer.

The Hon'ble NCLT has passed an order approving the resolution plan submitted by one of the resolution applicants. Aggrieved by this Order, the customer has filed an application before the Hon'ble National Company Law Appellate Tribunal ("NCLAT") praying for quashing the order of the Hon'ble NCLT. The Hon'ble NCLAT has set aside the resolution plan approved and ordered to recommence the CIRP process, including the consideration of 12A application filed by the promoters of the customer company. On an appeal against the order of the Hon'ble NCLAT, the Hon'ble Supreme Court has delivered their judgement on May 3, 2023 seeking the Adjudicating Authority to deal with fresh settlement proposal of the promoter, as approved by the CoC in its Nineteenth meeting dated October 12, 2022 while keeping in view the law applicable and the facts of the present case as also the observations as provided in the Judgement. The resolution plan put up by the promoters for settlement under Section 12A of the IBC, 2016, which was put to vote on 14/10/2022 to 31/10/2022 was approved with 100% of the total voting powers of the CoC. The Hon'ble NCLT has passed an Order approving the resolution plan submitted by the Promoter vide order dated December' 20th 2023. Hence the Management is of the opinion on full repayment of the outstanding receivable from the said Customer.

This is a matter of qualification by the auditors.

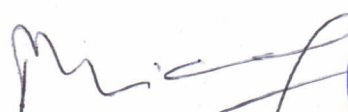
4. In view of the carried forward losses under the taxation laws, no provision for tax is created. Since the Company had adopted the new tax regime u/s 115BAA of the Income Tax, Act, 1961, the provisions of tax on book profits are not applicable to the Company.
5. The company is engaged in the business of "NBFC activities" while in the previous year engaged in the business of "NBFC activities and also providing travel and tourism services", however, it has only one reportable segment in accordance with Ind AS 108 'Segment Reporting'. Other operating segments do not meet the criteria for reportable segments and accordingly, no disclosure as per Ind AS 108 is applicable.



Segment-wise Revenue, Results and Capital Employed

Sl. No.	Particulars	Quarter ended			Nine months ended		Year ended	
		December 31, 2023 (Unaudited)	September 30, 2023 (Unaudited)	December 31, 2022 (Unaudited)	December 31, 2023 (Unaudited)	December 31, 2022 (Unaudited)	March 31, 2023 (Audited)	March 31, 2022 (Audited)
1	Segment Revenue (Net Sales/ Income from each segment)							
	a. Financial Services	43.67	25.59	16.85	82.04	46.85	59.99	108.18
	b. Travel Services	-	-	-	-	-	-	-
	c. Others	-	-	-	-	-	-	-
	Total	43.67	25.59	16.85	82.04	46.85	59.99	108.18
	Less: Inter Segment Revenue	-	-	-	-	-	-	-
	Net Sales/ Income from Operations	43.67	25.59	16.85	82.04	46.85	59.99	108.18
2	Segment Results (Profit/(Loss) before tax and interest)							
	a. Financial Services	17.18	(6.52)	1.92	(2.44)	(2.29)	(10.57)	31.07
	b. Travel Services	-	-	-	-	-	-	-
	c. Others	-	-	-	-	-	-	-
	Total	17.18	(6.52)	1.92	(2.44)	(2.29)	(10.57)	31.07
	Less:							
	i. Interest	0.39	0.94	0.90	-	-	2.09	0.73
	ii. Other unallocable expenditure net off	-	-	-	-	-	-	-
	Total profit/(loss) before tax	16.78	(7.46)	1.02	(2.44)	(2.29)	(12.66)	30.34
3	Capital Employed (Segment Assets - Segment Liabilities)							
	a. Financial Services	176.53	(84.91)	696.62	842.25	696.62	689.05	699.06
	b. Travel Services	(156.04)	0.99	121.51	(34.73)	121.51	120.88	121.35
	c. Others	-	-	-	-	-	-	-
	Total	20.49	(83.92)	818.13	807.52	818.13	809.93	820.41

for Dharani Finance Limited



Dr. Palani G Periasamy
Chairman
DIN : 00081002



Place: Chennai
Date : February 12, 2024

Initialled for identification purposes





Srivatsan & Associates
Chartered Accountants

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Limited Review Report on the Unaudited Financial Results for the quarter and nine months ended December 31, 2023 of M/s Dharani Finance Limited Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Board of Directors
Dharani Finance Limited,
57 Sterling Road, Nungambakkam,
Chennai 600 034.

1. We have reviewed the Unaudited financial results of Dharani Finance Limited (the "Company") for the quarter and nine months ended December 31, 2023 which are included in the accompanying 'Statement of Unaudited Financial Results for the quarter and nine months ended December 31, 2023 together with the notes thereon (the "Statement")'. The Statement has been prepared by the Company's management pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations, 2015"), as amended, which has been initialled by us for identification purposes. The Statement is the responsibility of the Company's Management which was approved by its Board of Directors and has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard (Ind AS) 34, "Interim Financial Reporting" prescribed under Section 133 of the Companies Act, 2013 and other accounting principles generally accepted in India.

Our responsibility is to express a conclusion on the Statement based on our review.

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



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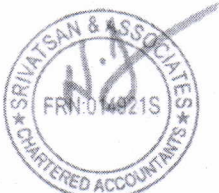


4. Attention is invited to the following

Note 3 to the statement relating to a corporate insolvency resolution process (CIRP) and the appointment of a resolution professional was admitted in the case of one of the major customers of the Company by the Hon'ble National Company Law Tribunal (NCLT), Chennai Bench vide its order dated May 5, 2020. The total amount due from the above referred major customer to the Company as at December 31, 2023 amounting to INR 348.31 Lakhs (net of provisions). The Company has filed its claims with the Resolution Professional of the said customer.

We were also informed that

- (a) the settlement proposal under section 12 A of IBC 2016 filed by the promoter of the aforesaid customer to settle the admitted claims and other dues has been debated and deliberated on by the CoC members at its 19th CoC meeting held on October 12, 2022;
- (b) the proposal has been approved with 100% of voting by the CoC on October 31, 2022. Necessary application has been filed with Hon'ble NCLT by the RP for approval of the 12A proposal and for withdrawal of the CIRP process; and
- (c) On an appeal against the order of the Hon'ble NCLAT, the Hon'ble Supreme Court has delivered their judgement on May 3, 2023 seeking the Adjudicating Authority to deal with fresh settlement proposal of the promoter, as approved by the CoC in its Nineteenth meeting dated October 12, 2022 while keeping in view the law applicable and the facts of the present case as also the observations as provided in the Judgement.
- (d) The resolution plan put up by the promoters for settlement under Section 12A of the IBC, 2016, which was put to vote on 14/10/2022 to 31/10/2022 was approved with 100% of the total voting powers of the CoC. The Hon'ble NCLT has passed an Order approving the resolution plan submitted by the Promoter vide order dated December 20th 2023.



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Accordingly, in the opinion of the management, the Company will be still able to recover the entire outstanding dues from the customer, based on the developments in the CIRP proceedings. Based on the above estimate and based on the fact that the customer's account was a fully performing asset before the admission of the CIRP, no provision towards allowance for expected credit loss/ provision for NPA as per IRAC Norms of Reserve Bank of India in respect of the dues from the aforesaid customer was considered by the Company in these financial results. The above financial results have been prepared by the Company on a going concern assumption and the Company presumed, based on the above circumstances that the net owned funds are considered to be above the minimum limits prescribed by the Reserve Bank of India for an NBFC.

Had the Company considered making provision for the outstanding balance referred to in (a) to (d) above, the net owned funds of the Company as at December 31, 2023 will be lower than the limits prescribed under Section 45-IA of the Reserve Bank of India Act, 1934 for a Non-Banking Financial Services Company (NBFC). Thus, the Company's ability to continue as an NBFC and as a going concern may depend on infusion of further capital to meet the minimum net owned funds criteria as per RBI norms within the prescribed time limit and on identification of alternative business plans.

e) The matter referred to in (a) to (d) also cast a significant doubt on the Company's ability to continue as a going concern and accordingly, we are unable to comment on the appropriateness of management's assumption of preparing the Statement on a going concern basis.

Our conclusion on the Statement is qualified in respect of the matters (a) to (e) referred above. The matters referred to in (a) to (d) above have also been qualified in limited review reports for the earlier periods and statutory audit report of earlier year



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- (i) Based on our review conducted as above, except for the effects of the matter described in para 4 above, nothing has come to our attention that causes us to believe that the Statement has not been prepared in all material respects in accordance with Ind AS and other recognised accounting practices and policies, and has not disclosed the information required to be disclosed in terms of Regulation 33 of the Listing Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Srivatsan & Associates
Chartered Accountants
Firm Registration No. 014921S

N. Srivatsan

N. Srivatsan
Partner
Membership No. 230195

Place: Chennai
Date: 12.02.2024
UDIN: 24230195BJZYQW5319

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