

DHARANI FINANCE LIMITED



30th ANNUAL REPORT 2019-2020



DHARANI FINANCE LIMITED

BOARD OF DIRECTORS

Chairman	: Dr Palani G Periasamy
Directors	: Mrs Visalakshi Periasamy Dr S Muthu -Independent Director Mr M Ganapathy - Independent Director
Managing Director	: Mr K Kandasamy
Chief Financial Officer	: Mr N Sivabalan (Appointed from 27.05.2019)
Company Secretary	: Dr S Kuppan (Appointed from 11.07.2019)
Auditors	: M/s CNGSN & Associates LLP Flat No.6 First Floor, Vignesh Apartment, North Avenue, Sri Nagar Colony, Little Mount, Chennai 600 015. Firm Regn. No.004915S/S200036
Internal Auditors	: R Balachandran & Co., Flat-3B, 3rd Floor, 3rd Block, Bajaj Apartments, 7/4, Nandanam Extension, Main Road, Nandanam, Chennai-600035. Firm Regn No.000323S
Bankers	: Indian Bank, Sterling Road Branch, Nungambakkam, Chennai – 600 034.
Registered Office	: “PGP House” No.59 Sterling Road, Nungambakkam, Chennai – 600 034. Phone Nos. 044-2831 1313, 2831 1414 Fax No. 044 – 2823 2074 Email: secretarial@dharanifinance.in Website : www.dharanifinance.in CIN – L65191TN1990PLC019152



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NOTICE TO SHAREHOLDERS

Notice is hereby given that the 30th Annual General Meeting ('AGM') of the Members of Dharani Finance Limited (the "Company") will be held on **Monday, 28th September 2020 at 11:00 A.M (IST) through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM')** to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements including Balance Sheet as at 31st March 2020, the Statement of Profit & Loss and Cash Flow Statements for the year ended on that date and consider the reports of the Board and Auditors.
2. To appoint a Director in place of Mrs Visalakshi Periasamy, (DIN No.00064517) who retires by rotation and being eligible offers herself for re-appointment.

by order of the Board

For Dharani Finance Limited

PLACE: CHENNAI

Dr. S Kuppan

DATE : 28th July 2020

Company Secretary

NOTES:

1. AGM through VC/OAVM: In view of the outbreak of COVID-19 pandemic and the consequent restrictions and requirements like social distancing, the Ministry of Corporate Affairs ("MCA") vide Circulars No.14/2020 dated April 08, 2020, No.17/2020 dated April 13, 2020 and No.20/2020 dated May 05, 2020 and the Securities and Exchange Board of India ("SEBI") vide its Circular No.SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, have allowed companies to hold their Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") during the calendar year 2020. In terms of the said circulars read with the applicable provisions of the Companies Act, 2013, the 30th AGM of the Company will be held through VC/OAVM (e-AGM) and the shareholders can attend and participate in the e-AGM through VC/OAVM only. The deemed venue of the e-AGM will be the registered office of the Company.
2. Quorum/Proxyform/Attendance slip: A shareholder entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a shareholder of the company. However, as this AGM is being

held through VC/ OAVM, physical attendance of shareholders is dispensed with. Accordingly, the facility for appointment of proxies by the shareholders is not applicable for this e-AGM. Hence the proxy form and attendance slip are not being annexed to this Notice and the resultant requirement for submission of proxy forms does not arise.

The presence of shareholders through VC/ OAVM will be reckoned for the purpose of quorum u/s 103 of the Act. Corporate shareholders entitled to appoint authorized representatives are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote at the e-AGM, pursuant to Section 113 of the Companies Act, 2013 ("the Act").

3. Mailing of AGM Notice & Annual Report In compliance with relevant MCA/SEBI circulars, the Notice of AGM and Annual Report for 2019-20 are being sent in electronic mode to shareholders whose email address is registered with the Depository Participants (DP) or the Registrar & Transfer Agent (RTA). Shareholders holding shares in physical/demat form who have not registered their email address with the Company can get the same registered as per the procedure given in SI No.10.

The AGM Notice and Annual Report are available on the websites of the Company www.dharanifinance.in, Stock Exchange. i.e. BSE Limited www.bseindia.com. The AGM Notice is also available on the website of CDSL (agency for providing the Remote e-Voting facility and e-Voting System during the AGM) www.evotingindia.com.

4. Particulars of Directors : Particulars of Directors seeking re-appointment pursuant to Regulation 36 (3) of the Listing Regulations is given in Appendix-A that forms part of this Notice.
5. Book Closure: The Register of Members and the Share Transfer Books of the Company will remain closed from **Tuesday the 22nd September 2020 to Monday the 28th September 2020 (both days inclusive)**.
6. Unpaid Dividend : Unpaid Dividend lying unclaimed for over 7 years will be transferred to the Investor Education and Protection Fund.

Shareholders may refer to page 10 of the Annual Report and lodge their claim, if any, immediately.



Shares in respect of which dividend has not been paid or claimed for seven consecutive years or more had been transferred to Investor Education and Protection Fund. Shareholders may refer to page 10 of the Annual report for details.

7. Attending e-AGM

For the purpose of conducting the e-AGM, the Company has appointed Central Depository Services (India) Limited (CDSL), to provide VC/OAVM facility. The detailed procedure for participating in e-AGM through VC/OAVM is given in Appendix-B.

8. Voting Process Shareholders can cast their votes through Remote e-Voting or at the AGM through e-Voting. The detailed process and instructions are given in Appendix-C.**9. Procedure for obtaining the Annual Report, AGM Notice and e-Voting instructions by the shareholders whose email addresses are not registered with the DPs/RTA** Shareholders are advised to register/ Update their email address and mobile number immediately, in case they have not done so earlier:

- In case of shares held in demat mode, with their respective DPs.
- In case of shares held in physical mode, by accessing the link <https://investors.cameoindia.com> or by email to the RTA at investor@cameoindia.com with details of Folio number and attaching a self-attested copy of PAN card.
- After due verification, the Company/ RTA will send login credentials for attending the AGM and voting through Video Conference to the registered email address.
- Any person who becomes a shareholder of the company after dispatch of the AGM Notice and holding shares as on the cut-off date may obtain the user Id and password in the manner provided in the AGM Notice.

10. Inspection of documents The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Act and all other documents referred in notice will be available for inspection in electronic mode. Shareholders can send an email for the purpose to secretarial@dharanifinance.in**Procedure for participation in the 30th AGM through VC/OAVM**

1. The company has engaged CDSL to provide VC/OAVM facility to its shareholders for participation in the e-AGM.
2. Shareholders will be able to attend the e-AGM by using their e-Voting login credentials and are advised to follow the procedure given below:
 - (i) Launch internet browser by typing the URL '<https://www.evotingindia.com>'
 - (ii) Enter the login credentials (ie. user ID and password for e-Voting).
 - (iii) In case the login credentials are not available or forgotten, retrieve the same by following the procedure given in the e-Voting instructions.
 - (iv) After login, click on 'Live Streaming' link.
 - (v) Enable the camera in your computer/other devices in the 'settings' menu.
3. Shareholders will be allowed to attend the e-AGM on first come, first served basis.
4. Facility to join the meeting will open 30 minutes before the scheduled time of the e-AGM and will be kept open throughout the proceedings of the e-AGM.
5. Shareholders who need assistance before or during the e-AGM may contact:

Mr Rakesh Dalvi- Manager
Central Depository Services (India) Limited,
P J Towers, 16th Floor, Dalal Street,
Fort, Mumbai 400001
E-mail:helpdesk.evoting@cdslindia.com
Phone: 022-2305 8542/8543/8738, 1800 200 5533

Procedure for participation in the 30th AGM through VC/ OAVM

6. Shareholders desiring to express their views/ ask questions during the meeting may register themselves as a speaker. Request for this may be made to secretarial@dharanifinance.in on or before 25th September 2020 (5.00 PM).
7. Only those shareholders who have registered themselves as a speaker will be allowed to express their views or ask questions at the e-AGM. The company reserves the right to restrict the number of questions and number of speakers depending upon the availability of time for conduct of the e-AGM.



8. Shareholders who do not wish to speak during the AGM but have queries or views may send the same in advance to the company in the same manner stated above. Their queries will be replied suitably by the company through email.
9. Shareholders are advised to quote their name and DP ID-Client ID/Folio No. in all their communications.
10. Recorded transcript of the e-AGM will be made available on the website of the Company as soon as possible.

A) Remote e-Voting

Remote e-Voting facility

1. In terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide to its shareholders the facility to exercise their right to vote at the 30th Annual General Meeting (AGM) on resolutions proposed to be considered thereat by electronic means. For this purpose, "remote e-Voting" facility is offered whereby a shareholder can cast his vote using an electronic system from a place of his choice.
2. The Remote e-Voting facility is offered through e-Voting services provided by Central Depository Services (India) Limited (CDSL).
3. Remote e-Voting commences on **Friday the 25th September 2020, (9.00 AM) and ends on Sunday the 27th September 2020 (5.00 PM)**. The e-Voting portal will thereafter be blocked by CDSL.

Manner of e-Voting

4. Instructions for Remote e-Voting for shareholders receiving an email from Company/RTA pursuant to their email IDs having been registered with the Depository Participants/RTA:
 - i) User ID and password are required for e-Voting. If you are holding shares in Demat form and logged on to www.evotingindia.com and cast your vote earlier for EVSN of any company, then your existing login ID and password are to be used. Else, follow clause (v) to (vii) for login.
 - ii) Launch the internet browser during the voting period. Type the URL www.evotingindia.com in the address bar. Home screen opens.

- (iii) Click on "Shareholders" tab to cast your vote.
- iv) Now, select the Electronic Voting Sequence Number - "EVS" for the company name, i.e. Dharani Finance Limited from the drop down menu and click on "SUBMIT"

Voting Process & Instructions

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

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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. 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.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both 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).</p>

* Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name in block letters and the sequence number (8 digits) given in the email to enter in the PAN field. # Please enter any one of the details in order to login.

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Shareholders holding shares in physical form will then reach directly to the voting screen. However, shareholders holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % & *).



Kindly note that this password is also to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (viii) Select EVSN (Electronic Voting Sequence number) of Dharani Finance Limited.
- (ix) On the voting page, you will see Resolution description and against the same the option "YES/NO" for voting. Select the option as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
5. In case of shareholders whose e-mail IDs are not registered with the Depository Participants/ RTA: Please follow the procedure given in page no 3 (sl. no. 11) of the Annual Report.
6. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
7. During the voting period, security holders can login any number of times till they have voted on all the resolutions. They can also decide to vote only on some of the resolutions.
8. 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 under help section or send an email to helpdesk.evoting@cdslindia.com.
9. Person responsible to address the grievances connected with the facility for remote E-Voting and E-voting at AGM:
- Name : Mr Rakesh Dalvi
Designation : Manager
Address :
Central Depository Services (India) Ltd
P J Towers, 16th Floor, Dalal Street,
Fort, Mumbai 400001
Email ID : helpdesk.evoting@cdslindia.com
Phone No. : 022-2305 8542/8543/8738,
1800 200 5533
- B) Voting at e-AGM**
- a) Shareholders who could not vote through remote e-Voting may avail the e-Voting system provided at the e-AGM by CDSL.
- b) Only those shareholders, who are present in the e-AGM and who have not cast their e-vote through remote e-Voting are eligible to vote at the e-AGM.
- c) If a shareholder casts his vote in the e-AGM without being present, his vote will be treated invalid.
- d) In case of joint holders attending the meeting, only the joint holder who is higher in the order of names will be entitled to vote at the e-AGM.
- e) Shareholders who have voted through Remote e-Voting are eligible to attend the e-AGM, however, they will not be eligible to vote at the meeting.
- f) Voting process is the same as stated in Part A.
- C) General Instructions**
1. The cut-off date for the purpose of e-voting has been fixed as Monday the 21st September 2020. Shareholders holding shares as on this date alone are entitled to vote under either mode.
2. In case of persons who have acquired shares and become shareholders of the company after the dispatch of e-AGM Notice, the company would be mailing the 30th Annual Report for 2019-20 to their registered email address as and when they become shareholders. They may follow the same procedure for e-voting.
3. Voting rights of shareholders shall be in proportion to their shareholding in the company as on the cut-off date of 21st September 2020.



DHARANI FINANCE LIMITED

4. In case a shareholder by inadvertence or otherwise has voted under both options, his voting by Remote e-Voting only will be considered.
5. Mr M Damodaran, Practicing Company Secretary (Membership No. 005837) has been appointed as the Scrutinizer.
6. The Scrutinizer will after the conclusion of voting at the e-AGM:
 - (i) First unblock and count the votes cast at the e-AGM through e-voting.
 - (ii) Then unblock the votes cast through Remote e-Voting.
 - (iii) Both the above will be done in the presence of two witnesses not in the employment of the company.
 - (iv) Make a consolidated Scrutinizer's report (integrating the votes cast at the meeting & through Remote e-Voting) of the total votes cast in favour or against, to the Chairman.
- (v) The Scrutinizer's report as above would be made soon after the conclusion of AGM and in any event not later than three days from the conclusion of the meeting.
7. Voting Results
 - i) The Chairman or a person authorized by him in writing will authenticate the result of the voting based on the Scrutinizer's report and have it declared.
 - (ii) The results declared along with the scrutinizer's report will be placed on the company's website www.dharanifinance.in and on the website of CDSL www.evotingindia.com immediately after the result is declared and also communicated to NSE and BSE.
 - (iii) Subject to receipt of requisite number of votes, the resolution shall be deemed to be passed on the date of e-AGM.

By Order of the Board

For Dharani Finance Limited

Place : Chennai

Dr S Kuppan

Date : 28th July 2020

Company Secretary

Appendix A

Information about the Directors Seeking Appointment/ Re-appointment in this Annual General Meeting is furnished here under Regulation (36(3) and 17(1A) Listing Obligations and Disclosure Requirements) Regulation 2015

Item No : 2

Re-appointment of Mrs Visalakshi Periasamy, Director.

1	Name & DIN No.	Mrs Visalakshi Periasamy (00064517)
2	Age	73
3	Qualification	B.B.A.,
4	Date of Appointment	10.05.1990
5	Experience	29 years
6	Other Directorships	1. Appu Hotels Limited 2. Dharani Credit & Finance (P) Limited 3. Dharani Sugars and Chemicals Limited 4. PGP Educational & Welfare Society
7	Member of Committee	Management Committee, Nomination & Remuneration Committee
8	No of Shares held in the Company & %	145198 & 2.92%
9	Inter-se Relationship	She is the spouse of Dr Palani G Periasamy, Chairman

**By Order of the Board
For Dharani Finance Limited**

**Place: Chennai
Date: 28th July 2020**

**Dr S Kuppan
Company Secretary**

**BOARD'S REPORT**

Dear Members,

The Board of Directors present herein the 30th Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2020.

FINANCIAL SUMMARY

The Financial results for the year ended 31st March 2020 are briefly as follows: -

Rs.in Lakhs

Particulars	For the year Ended 31.03.2020	For the year Ended 31.03.2019
Income through Travel Operations, Finance Services and others	106.01	110.54
Expenditure (Employee & Administrative Expenses)	66.79	90.65
Profit	39.22	109.89
Depreciation	14.65	7.23
Interest & Bank Charges	2.58	5.85
Profit after depreciation & Interest	21.99	6.81
Provision for Income Tax		
- Current	43.74	9.24
- Deferred	6.33	0.72
Profit/(Loss) after Tax	(28.08)	(3.15)
Surplus brought forward	314.45	315.54
Profit available for appropriation	309.11	317.89
APPROPRIATIONS		
Transfer to Statutory Reserves	2.68	3.44
Proposed Dividend	-	-
Dividend Distribution Tax	-	-
Net Surplus carried over	306.43	314.45

PERFORMANCE

The total revenue was Rs 106.01 lakhs as against Rs 110.54 lakhs in the previous year. The income this year consists mainly of interest on loans granted to two Companies. Besides interest, the Company also received a sum of Rs.27.30 lakhs as lease charges for the vehicles given on lease to a Group Company. Dividend income has come up from Rs.0.11 lakhs to Rs.0.22 lakhs. The Company has incurred a net loss of Rs.28.08 lakhs after adjusting for Depreciation and tax.

OUTLOOK

Your company is also exploring the possibility of increasing its resources by additional capital or borrowings though it has not been able to do so during 2019-20. In addition, by using its surplus, your Company proposes to increase its financial services activities.

RESERVES

A sum of Rs.2.68 lakhs is being transferred to the Statutory Reserves, as required by RBI regulations. With this, total Statutory Reserves comes to Rs. 151.53 lakhs.

DIVIDEND

There being no profits for the year your directors are not able to propose to recommend any dividend.

SHARE CAPITAL

There is no change in the Share Capital of the Company- either the Authorized Capital or the Issued Capital. The paid up equity capital as on March 31, 2020 continues to remain at Rs.4,99,44,000.00. The Company has not issued any shares during the period.

EXTRACT OF ANNUAL RETURN

This is available in web address of the Company.

BOARD MEETINGS

1. Board consists of five directors including one Woman Director, as given below.
2. During the year 2019-20 FIVE Board Meetings were held on 27.05.2019, 11.07.2019, 13.08.2019, 13.11.2019 and 13.02.2020. Attendance at these meeting is given below.

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

The following Committees are in existence. Audit/ Nomination and Remuneration/Stakeholders and Risk Management Committee.