

Minutes of the 25th Annual General Meeting of the Shareholders of Dharani Finance Limited held on Friday the 25th September 2015 at 10.00 A.M at Narada Gana Sabha Mini Hall, No.314, T T K Road, Alwarpet, Chennai – 600 018.

Members Present

Dr Palani G Periasamy, Chairman
Ms. Visalakshi Periasamy, Director
Ms Ananthi Periasamy
Mr. A Sennimalai
Shri K Kandasamy, Managing Director
Shri M P Kaliannan
Shri R Murugavel
Shri B Murugesan
Shri C Konguvel
Shri E.P. Sakthivel -Representing Dharani Sugars and Chemicals Limited,. Client ID No. IN30163741329572
Shri R. Gautham - Representing Dharani Developers (P) Ltd. (Client ID No.IN300597 10059570)
Shri A R Sundaram -Representing Dharani Credit and Finance P Limited, Client ID No. IN 30059710059570),
Shri P Jayachandran and
Other Shareholders and proxy holders

By Invitation

Shri M Ganapathy : Director & Chairman of Audit Committee
Dr S Muthu : Director
Mr R K Viswanathan : Director
Shri N Subramanian : Company Secretary

Shri S Bhaskar : M/s. K Ramkrish & Co., Statutory Auditors
Shri M. Damodharan : Practising Company Secretary
Smt. S. Radha : Cameo Corporate Services Ltd., (Registrar and Transfer Agents)

Dr Periasamy, Chairman of the Board of Directors occupied the chair and commenced the proceedings with a welcome to all the shareholders and other guests. After welcoming, he introduced the Directors and other members on the dais to the shareholders. It was noted that **98** shareholders were present in person and 1 through proxy. Accordingly Chairman declared that there is the prescribed quorum and called the meeting to order.

In his speech to the shareholders, he touched briefly on the world economy and how it is affecting Indian economy. The Indian economy has been besieged by problems. With the measures taken by new Government he hoped that growth will be higher. He referred to the recent initiatives declared by the Government and hoped things might improve.

With the consent of all the shareholders, the notice for the meeting was taken as read. He then took up for consideration the business as per the notice circulated.

As per Government of India and SEBI mandates facility of voting through electronic means had been provided to the shareholders from **22nd September 2015 to 24th September 2015**. Chairman mentioned that the results of the electronic voting are expected to be received from the appointed Scrutinizers Viz. M/s. M. Damodaran & Associates and will be taken into account while declaring the results. He, therefore, suggested that in the meantime such of those Shareholders who have not availed this facility and who were present at the meeting may exercise their voting through ballot paper, which has been provided to them.

The shareholders present then proceeded to cast their vote through the ballot in the ballot box kept near the dais. After a vote of thanks by Mr M Ganapathy, Director, Chairman declared the meeting as closed.



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The scrutinizers report both on electronic voting and physical polling was received on 26th September 2015 and the results declared and uploaded in the Company's website as follows.

ORDINARY BUSINESS

Resolution -1

"RESOLVED THAT the Statement Profit and Loss, Balance Sheet, report of Directors and Auditors for the financial year ended 31st March, 2015 be and is hereby adopted

Particulars	No of Members Voted in E voting	No of votes cast (Shares) – E Voting	No of Members/ Proxies vote – Poll	No of votes (Shares) – Poll	Total No of votes cast through E-voting and Poll	% of valid votes cast
Voted in favour of the Resolution	103	1517530	1	100	1517630	99.99
Voted against the Resolution	-	-	1	100	100	0.01

Chairman declared the Ordinary Resolution as passed with requisite majority.

Resolution -2

"RESOLVED THAT Dr Palani G Periasamy, Director who is retiring and is eligible for re- appointment be and is hereby appointed as a Director of the Company".

Particulars	No of Members Voted in E voting	No of votes cast (Shares) – E Voting	No of Members/ Proxies vote – Poll	No of votes (Shares) – Poll	Total No of votes cast through E-voting and Poll	% of valid votes cast
Voted in favour of the Resolution	103	1517530	2	200	1517730	100.00
Voted against the Resolution	-	-	-	-	-	-

Chairman declared the Ordinary Resolution as passed with requisite majority.

Resolution - 3

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 27th 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.

Particulars	No of Members Voted in E voting	No of votes cast (Shares) – E Voting	No of Members/ Proxies vote – Poll	No of votes (Shares) – Poll	Total No of votes cast through E-voting and Poll	% of valid votes cast
Voted in favour of the Resolution	103	1517530	1	100	1517630	99.99
Voted against the Resolution	-	-	1	100	100	0.01

Chairman declared the Ordinary Resolution as passed with requisite majority.



SPECIAL BUSINESS

Resolution -4

"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 from 3 years with effect from 01.04.2014.

(in Rupees)

A	Salary	1204000.00
	Perquisites	0
	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

Particulars	No of Members Voted in E voting	No of votes cast (Shares) – E Voting	No of Members/ Proxies vote – Poll	No of votes (Shares) – Poll	Total No of votes cast through E-voting and Poll	% of valid votes cast
Voted in favour of the Resolution	103	1517430	2	200	1517630	99.98
Voted against the Resolution	1	100	-	-	100	0.01

Chairman declared the Special Resolution as passed with requisite majority.

Special Business

Resolution -5

"RESOLVED THAT in supersession of earlier resolution (Item No. 9) passed in Annual General Meeting of the Company held on 28th 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.**



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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

Particulars	No of Members Voted in E voting	No of votes cast (Shares) – E Voting	No of Members/ Proxies vote – Poll	No of votes (Shares) – Poll	Total No of votes cast through E-voting and Poll	% of valid votes cast
Voted in favour of the Resolution	103	1517530	1	100	1517630	99.99
Voted against the Resolution	-	-	1	100	100	0.01

Chairman declared the Special Resolution as passed with requisite majority.

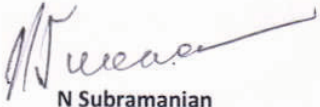
Place: Chennai – 18
Date : 26.09.2015

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Dr Palani G Periasamy
Chairman

//Certified true Copy//

For Dharani Finance Limited




N Subramanian
Company Secretary



DHARANI FINANCE LIMITED

CHAIRMAN'S SPEECH

25th September 2015

Dear Shareholders,

It is with great pleasure, I welcome you all to this 25th Annual General meeting of your Company. The Annual Statement of accounts sent to you earlier has been with you for some time and I seek your permission to take it as read.

I shall commence the proceedings of the Annual General meeting with a very brief summary of the present status of the world economy and its impact on the Indian Economy and the present situation that our Company is facing.

I. World Economy

The current recessionary trends in advanced economies and the volatility in the stock and currency market due to the devaluation of the Chinese yuan pose a risk to long term growth of the economy. Global commodity prices are expected to remain low for some more time and global growth estimates are being pared down. Though there were apprehensions about what the Federal Reserve will decide, the Federal Reserve is keeping U.S interest rates unchanged for the present, at record lows in the face of threats from a weak global economy, persistently low inflation and unstable financial markets. But a robust American job growth and solid GDP performance could invite a raise in the near future-say even by December.

II. Indian Economy

The Indian economy expanded by 7% in the 1st Quarter April-June this year against the growth of 7.3% in the last fiscal. Exports seem to have shrunk steeply in the recent months. Though there is some concern over the agricultural Sector, there is more visibility of pick up in rural demand.

Despite deficient monsoon rains in August, and the monsoon deficit staying at 15% so far this season, most food items remained firmly subdued. Retail inflation eased 3.66% in August from a revised 3.69% in the previous months while whole sale price index continues to be in negative territory for 10 months in a row. Although CPI based inflation is on a downward trajectory, its sustenance over a longer period could pose a problem on account of drought, below normal rainfall.



Coming on the back of a slowdown in industrial production to 4.2% in July from 4.4% in June, the easing price pressure has made a strong case for the RBI to ease its policy rate in its next review meeting due on September 29.

Industry Chambers and even policy makers in the Government have been calling for a rate cut by RBI to help stimulate the demand. The Chief Economic Advisor has also warned of looming deflation and called for measures to boost consumer demand and to step up investment - a downward revision in the rates will help in this. Reserve Bank India Governor feels that keeping inflation low on a sustained basis is key to achieving growth and referred to Brazil where efforts to stimulate growth through monetary policy had led to downgrade and GDP contraction, though he has not ruled out a rate cut. He also felt that improving the business environment will help in driving growth.

The Reserve Bank of India will be closely tracking risks from a deficient monsoon as well as watching the moves of the Federal Reserve in USA in days to come, though they have not made any changes as of now, as was apprehended.

According to a research report by Goldman Sachs, India's potential growth could rise to as high as 9% over the next 5 years in a faster reform scenario and if the government were to undertake strong structural reforms like Labour reforms, tax reforms, Smart Cities projects etc., the growth in India could outpace the rest of Asia.

Government of India hopes that India's growth in the current fiscal will exceed 7.5% as there are silver linings in the global financial turmoil. The Government believes that India remains as one of the very few bright spots in the global economy - a view shared by the International Monetary Fund also. Besides increased infrastructure spending and more FDI coming in makes a case for better manufacturing output. The stress is also on Government placing equal attention to services sector job creation. The Government has also been adopting supply side measures to ease the pain and should do more to ease the upward pressure on food prices. Government has also initiated several steps and is giving special focus on improving the ease of doing business, a better investment climate, including higher foreign direct investment inflows, improve manufacture in India, assure stable polices, reduce taxation disputes, and transparent and predictable tax structure.



III. Your Company

Under such positive expectations, your Company hopes to improve its performance in the coming years, though its low capital base restricts its ability for expansion or diversification on a big scale.

During the year 2014-15, income of your Company was Rs. 289.87 lakhs and a net profit was Rs.15.36 lakhs.

This is not sufficient to declare any dividend. A major portion of the income is on account of travel operations, with leasing and lending taking a back seat. Timely sale of some long term investments at the opportune time brought in a gain of Rs. 52.96 lakhs. This together with increased income through travel operations helped in offsetting the increase in expenses and achieving profits. The unaudited results for the quarter April-June in the current financial year reported a loss of Rs. 13.00 lakhs. However, your Company hopes for significant increase in income from travel services during the 2nd half of the year despite the competition from Taxi aggregators like 'Ola', Uber, Taxi for sure and similar new entrants in this field. The tourism industry and hospitality industry has been showing signs of revival with more number of visitors and higher occupancy rates and the remaining months of the year being the peak tourist season is expected to bring in more business and revenue 'to the group Company's 5 star hotels in Chennai and Coimbatore and by extension to your Company. Depending on how the Indian economy fares, actively helped by the Government's special efforts, including international investors meets, like the one held recently by the Tamilnadu Government, and further liberalizing the FDI Policy, easing ECB norms etc., your Company hopes to achieve better results in the coming years. The management also continues its efforts to explore other business opportunities. With this optimistic view, I conclude my address.

I take this opportunity to thank every member of Dharani Family for their dedication and hard work.

Above all, we are deeply grateful for the continuing invaluable support extended by the family of shareholders of the Company.

Once again I thank you all,

Dr. Palani G Periasamy
Chairman

Place : Chennai

Date : 25.09.2015

Note: This does not purport to be a report of the proceedings at the Annual General Meeting

