

TRANSCRIPT OF THE PROCEEDING OF 34TH ANNUAL GENERAL MEETING OF VELAN HOTELS LIMITED ON MONDAY, 30TH SEPTEMBER, 2024 COMMENCED FROM 12.05 P.M. (IST) THROUGH VIDEO CONFERENCING AND OTHER AUDIO VIDEO VISUAL MEANS.

Moderator :	<p>Dear Shareholders, Good Morning, and a warm welcome to you all to the 34th Annual General Meeting of Velan Hotels Limited being held through video conferencing. The facility for attending the AGM through Video Conferencing is being provided to all the shareholders of Velan Hotels Limited.</p> <p>I now invite Company Secretary Mr.M.Srinivasan, to initiate the proceedings. Over to you, sir</p>
M.Srinivasan	<p>Ladies & Gentlemen.</p> <p>I welcome all of you to the 34th Annual General Meeting of the Company.</p> <p>Due to ill-health, the Chairman of the Board is not able to conduct the meeting of the AGM and he requested other members present to elect one of themselves as the Chairman of the meeting.</p> <p>I now request the Board Members present in the meeting to elect one among them to be the Chairman of the meeting.</p>
E.V.Muthukumara Ramalingam	I propose Mr.M.R.Gautham, Executive Director as the Chairman of this AGM.
M.Sasikala	I consent for the same
Nagaraj Saveethkumar	I consent for the same
Katpadi Muthukrishnan Ananthasayanam	I consent for the same
Pachaimuthu Kumar	I consent for the same
M.Srinivasan	Mr.M.R.Gautham has been elected as the Chairman of this AGM. I request him to occupy the Chair and start the proceedings of this AGM.

M.R.Gautham	<p>Thank you Mr.Srinivasan,</p> <p>Good Afternoon, Ladies & Gentlemen</p> <p>It is with great pleasure that I welcome each one of you to the 34th Annual General Meeting the Company.</p> <p>May I now introduce the Directors who have joined with us through Video Conferencing.</p> <ol style="list-style-type: none">1. Mr.E.V.Muthukumara Ramalingam, Chairman & Managing Director, also a Member of the Stakeholders Relationship Committee.2. Mrs.M.Sasikala, Non-Executive Director, also a member of the Audit Committee and the Nomination & Remuneration Committee.3. Mr.Nagaraj Saveethkumar, Non-Executive - Independent Director who is also the Chairman of the Audit Committee, the Nomination & Remuneration Committee and the Stakeholder Relationship Committee representing on behalf of the respective Committees.4. Mr. Katpadi Muthukrishnan Ananthasayanam Additional Director5. Mr.Pachimuthu Kumar, Additional Director <p>Mr.M.Srinivasan, Company Secretary is also present at this AGM through VC and Mrs.R.Lalitha, Chief Financial Officer did not attend the meeting due to ill-health.</p> <p>Mr.K.Sundarrajan (or) Mr. S.Rathinamoorthy, the representatives of Statutory Auditors, M/s. Krishnaan & Co., and Mr.S.Ganesh Viswanathan, the Secretarial Auditor & Scrutinizer are present at this AGM through VC.</p> <p>I confirm that requisite quorum is present through VC and the Meeting is in order.</p>
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The Registered office of the Company at Tirupur shall be deemed as the Venue for this AGM and proceedings of the AGM shall be deemed to be made hereat.

In conformity with the Companies Act, the Register of Directors and Key Managerial Personnel and their Shareholding and the Register of Contracts or Arrangements, in which Directors are interested, are placed electronically and are available for inspection by the Members during the AGM.

Ladies and Gentlemen, the Notice convening this Annual General Meeting and Annual Report for the financial year ended March 31, 2024 in soft copy, have already been circulated to the Members of the Company via electronically whose email addresses are registered with the Company. I shall take them as read.

As required under the Act and Listing Regulations, the Company has provided opportunity for the Members to cast their vote electronically on all the resolutions set forth in the Notice of AGM. In order to enable those shareholders who are present in this meeting and who have not exercised remote E-Voting, the Company is providing an opportunity to cast their vote electronically after the Meeting.

Independent Audit Report issued by the Statutory Auditors M/s. Krishna & Co., carried certain qualification, observation or comments on the Standalone Financial Statements which have been replied by the Management of the Company as detailed at Page Nos.45 to 46 in the Annual Report. With your permission I take the same as read.

The Secretarial Audit Report issued by Secretarial Auditor and Compliance Certificate on Corporate Governance issued by the Company Secretary in Practice carried certain observations which have been replied by the Management as detailed at Page No.46 in the Annual Report. With your permission I shall take them as read.

	<p>The said reports, which have qualifications or observations, are required to read out in the AGM as provided in the Companies Act, 2013 and SS-2-Secretarial Standard on General Meetings.</p> <p>Accordingly, I request Mr.K.Sundarrajan (or) Mr. S.Rathinamoorthy, a representative of Statutory Auditors read out qualification, observation or comments.</p> <p>Over to Mr.K.Sundarrajan</p>
<p>K.Sundarrajan or S.Rathinamoorthy</p>	<p>Thank you sir</p> <p>I read out the following qualifications / observations reported in the Independent Auditors' report.</p> <p>We have audited the standalone financial statements of Velan Hotels Limited ("the Company"), which comprise the Balance Sheet as of March 31, 2024, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.</p> <p>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 March 31, 2024, and Loss, Changes in Equity and its Cash Flows for the year ended on that date, <u><i>subject to the notes given below with regard to Going Concern other Key Audit Matters.</i></u></p> <p>We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in Auditor's Responsibilities for the Audit of</p>

	<p>the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.</p> <p>We draw attention to Note No. 36 of the Financial Statement for the year ended 31st March 2024. The Company's borrowings were taken over by M/s. RARE Asset Reconstruction Company Limited ("ARC") commencing from April 1, 2017 and out of the final One-time settlement amount of Rs. 97.32 crores agreed with the ARC, the company has made a payment of Rs. 59.48 cr upto 31st March 2023 and during the year, the company has repaid a further sum of Rs.75 lacs from the refund of security deposit held with M/s. Avenue Supermarts Limited on Sale of Mall and part of multiplex Properties. The company intends to repay the balance to the ARC from the sale of other assets of the Company.</p> <p>Further, we draw attention to Note No. 35, the Company having suspended all business operations and with no revenue being generated, the ability of the Company to repay its debts depends on the quantum of realisation from the sale of Assets, there exists a concern on the ability of the Company continuing as a Going Concern. In view of the above, our opinion is <u>Qualified</u>.</p> <p>Thank you sir. Over to Mr.M.R.Gautham</p>
M.R.Gautham	Thank you sir

	Over to CS.S.Ganesh Viswanathan to read out your qualification and observation.
S.Ganesh Viswanathan	<p>Thank you sir</p> <p>I read out the following qualification reported in the Secretarial Audit Report and Compliance Certificate on Corporate Governance.</p> <p>Late filing of Shareholding pattern for the quarter ended 30th June 2023.</p> <p>Thank you sir. Over to Mr.M.R.Gautham</p>
M.R.Gautham	<p>Thank you sir</p> <p>You are aware that due to age and ill health, Mr.E.V.Muthukumara Ramalingam, Chairman of the Company is not able to read out the Chairman's Speech. I shall deliver the Chairman's speech for and on behalf of him.</p>
	<p style="text-align: center;">CHAIRMAN SPEECH</p> <p>Ladies and Gentlemen:</p> <p>I sincerely hope that all of you are safe and in good health.</p> <p>I have great pleasure in welcoming you in this 34th Annual General Meeting of the Company being held through Video Conference / Other Audio Visual Means to transact the business.</p> <p>You aware that the Company suspended all the revenue generating operations w.e.f. 24 Mar 2020 due to Covid-19 and experience of weak financial positions for the last ten years and hence, the Company has not carried out any business activities during the year.</p> <p>Taking into the above factors, the gross receipts of your company stood at Rs.0.30 Lakh from Rs. Rs.2.30 lakh registered in the previous year. Loss before Interest, Depreciation and Taxation was Rs.55.58 lakh against Rs.45.07 Lakh recorded in the previous year. Similarly,</p>

the Loss after Tax for the year ended March 31, 2024 stood at Rs. 109.27 lakh whereas the previous year loss was Rs. Rs.1849.17 lakh.

In order to generate stable revenue in future, the Company is evaluating various options including leasing the hotel property at Tirupur on lease rental basis. The management is in talks with various parties for leasing the assets of the Company.

The management of the Company is in talks with RARE ARC to settle its entire outstanding and the Management hope that the settlement between the Company and RARE ARC is expected to complete before 31st December, 2024.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 29th August 2024 appointed Mr.Katpadi Muthukrishnan Ananthasayanam and Mr.Pachaimuthu Kumar as an Additional Directors in the capacity of Independent. Special resolution seeking members' approval for their appointment as an Independent Directors for a period of five years is set out in the Notice for AGM for your consideration. I request you to consider their appointment.

Independent Directors namely Mr.P.Ganesan, Chairman, Mr.S.P.Sivanandam and Mr.Subramanyam Muralidharan have resigned from the Board. I thank them for the enormous contributions made by them during the directorship.

I would like to express my sincere thanks and deep gratitude to our esteemed shareholders, my colleagues on the Board for their active support and guidance.

I also acknowledge the unstinted support extended by our valued customers and staff members of the Company.

	<p>I place on record our sincere thanks to RARE ARC, Canara Bank for their support and co-operation.</p> <p>I extend my sincere thanks to all of you for having attended this Annual General Meeting through VC.</p> <p>Thank you all.</p>
M.R.Gautham	<p>I will now move to the business to be transacted at this AGM.</p> <p>Since the AGM is being held through Video Conference and all the Resolutions mentioned in the Notice convening this AGM have been already put to vote through remote e-voting, there will be no proposing and seconding of the Resolutions.</p> <p>First - To consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2024 together with the Reports of the Board of Directors and Auditors thereon.</p> <p>The second item is to pass an Ordinary Resolution for re-appointment of Director in place of in place of Mr. Mr.M.R.Gautham having DIN 00046187, who retires by rotation and being eligible, offers himself for re-appointment.</p> <p>The third item is to pass an Ordinary Resolution for re-appointment of Director in place of in place of Mrs.M.Sasikala having DIN 01452586, who retires by rotation and being eligible, offers herself for re-appointment.</p> <p>The fourth item is to pass an Ordinary Resolution entering into Related Party Transaction with related parties.</p> <p>The fifth item is to pass an Ordinary Resolution entering into Related Party Transaction with all other Group Entities</p>

The sixth item is to pass a special resolution for the appointment of Mr.Katpadi Muthukrishnan Ananthasayanam as an Independent Director of the Company (First Term) for a period of five years.

The seventh item is to pass a special resolution for the appointment of Mr.Pachaimuthu Kumar as an Independent Director of the Company (First Term) for a period of five years.

The eighth item is to pass a special resolution for lease, transfer, convey and assign of the Company's immovable/movable properties.

The ninth item is to pass a special resolution for change of place of keeping and inspection of Register and Index of Members & Returns.

The Members are aware that the Company has provided to its Members remote e-voting facility as mentioned in the Notice of this meeting. The remote e-voting concluded on 29th September 2024 at 5.00 p.m.

The arrangements have been made for Members, who are present at the meeting but have not cast their votes by availing the remote e-voting facility to exercise their vote by using e-voting during the AGM. The facility for E-voting is being provided by the Central Depository Services (India) Limited (CDSL).

Mr.S.Ganesh Viswanathan, Company Secretary in Practice, who was appointed as the Scrutinizer to conduct the remote e-voting and e-voting during the AGM process, will submit a consolidated Scrutinizer's Report on remote e-voting and e-voting during the AGM, of the total votes cast in favour or against, if any, within 48 hours of conclusion of the AGM.

I authorise Mr.M.Srinivasan, Company Secretary to declare the results of the voting. The results declared along with the consolidated Scrutinizer's Report shall be placed on the Website of the Company and also on

	<p>the website of CDSL. The results will simultaneously be forwarded to BSE Limited.</p> <p>The E-voting will be enabled for next 30 minutes and shareholders may complete their voting.</p> <p>Now let me move to the suggestions, members who wish to speak at the meeting were requested to register themselves as a speaker by sending an email to the company on or before 5:00 PM on Monday, the 23rd September, 2024. We received response from shareholders wanting to speak at the meeting. Due to the VC format of the meeting and in the interest of time, we may not be able to listen to all the shareholders, however, those we are able to accommodate, we will be very happy to not only listen, but note their suggestions and see what best we can do to deal with them.</p> <p>Each speaker will have a maximum of three minutes to express his or her view. At the end of two minutes, you will hear a prompt in the form of a sound bell, please don't misunderstand it but this bell will really be there to help you finish in three minutes time.</p> <p>You may start concluding remarks as soon as you hear the bell. I would like to highlight to the speakers that when I take your name, your MIC will be opened by the moderator of this meeting. You will have to also unmute the audio and start the video from your end to start speaking. So, I hope everything goes well and we'll be able to have a very useful interaction.</p>
	<p>Some shareholders registered with the Company before the AGM as speaker shareholder who got connected and shared their views / made comments.</p> <p>The Chairman of the Meeting responded the queries / comments made by the shareholders satisfactorily.</p>
<p>M.R.Gautham</p>	<p>This in a way brings me to the end of the meeting. But before I announce the closure of the meeting, I would like to record my thanks on behalf of all members of the board for your continued trust, good will and</p>

support in all our endeavors. And last of all, I must wish you and your families all the very best for a safer and healthier tomorrow. With this, with your permission I would like to close this meeting.

Thank you very much for your support and God bless all