



VELAN HOTELS LIMITED

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GSTIN : 33AAACV8449H3Z3 / CIN : L55101TZ1990PLC2653

September 28, 2023

BSE Ltd
Corporate Relationship Dept
Floor No.25, P.J.Towers
Dalal Street
Mumbai 400 001

Dear Sirs

Sub : Transcript of the 33rd Annual General Meeting of the Company held on 27th September, 2023.

The Transcript of the 33rd AGM of the Company held on 27th September 2023 at 11.45 a.m. through Video Conferencing (VC)/ Other Audio Visual Means (OAVM) is attached.

Kindly acknowledge receipt

Thanking you

Yours truly,

For VELAN HOTELS LIMITED

**M.SRINIVASAN
COMPANY SECRETARY**

TRANSCRIPT OF THE PROCEEDING OF THE 33RD ANNUAL GENERAL MEETING OF VELAN HOTELS LIMITED ON WEDNESDAY, 27TH SEPTEMBER, 2023 COMMENCED FROM 11.45 A.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 33rd 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 33rd Annual General Meeting of the Company.</p> <p>Since the Chairman of the Board is an octogenarian and ill-health, he is not able attend the meeting. As per Article 87 of Articles of Association of the Company, the Directors present may 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
Subramanyam Muralidharan	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, Good Afternoon, Ladies & Gentlemen</p> <p>It is with great pleasure that I welcome each one of you to the 33rd 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, 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.Muralidharan Subramanyam, Additional Director <p>Due to ill-health, Mr.S.P.Sivanandam, Independent Director could not attend today's meeting.</p> <p>Mr.M.Srinivasan, Company Secretary and Mrs.R.Lalitha, Chief Financial Officer are also present at this AGM through VC.</p>

Mr.K.Sundarrajan, 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.

This Annual General Meeting is being held through video conference in accordance with the Companies Act, 2013 and various circulars issued by the Ministry of Corporate Affairs and SEBI.

I confirm that requisite quorum is present through VC and the Meeting is in order.

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, 2023 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

	<p>providing an opportunity to cast their vote electronically after the Meeting.</p> <p>Independent Audit Report issued by the Statutory Auditors M/s. Krishaan & 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.49 to 50 in the Annual Report. With your permission I take the same as read.</p> <p>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.50 in the Annual Report. With your permission I shall take them as read.</p> <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 CA.K.Sundarrajan, a representative of Statutory Auditors read out qualification, observation or comments.</p> <p>Over to Mr.K.Sundarrajan</p>
<p>K.Sundarrajan</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, 2023, and the Statement of Profit and Loss, Statement of Changes in Equity and Statement of Cash Flows for the year then</p>

ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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, 2023, and ~~Profit~~/Loss, Changes in Equity and its Cash Flows for the year ended on that date, **subject to the notes given below with regard to Going Concern other Key Audit Matters.**

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 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.

We draw attention to Note No. 36 of the Financial Statement for the year ended 31st March 2023. The

	<p>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. 59.30 cr., towards repayment to ARC, partly (Rs. 48.00 cr.) from the sale proceeds of Shopping Mall, part of Multiplex properties, Hotel at Coonoor and sale of power plant assets and partly (Rs. 11.30 cr.) by way of unsecured loans from Directors. 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 Qualified.</p> <p>Thank you sir. Over to Mr.M.R.Gautham</p>
<p>M.R.Gautham</p>	<p>Thank you sir</p> <p>Over to CS.S.Ganesh Viswanathan to read out your qualification and observation.</p>
<p>S.Ganesh Viswanathan</p>	<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>Non-compliance with the requirement of Minimum Public Shareholding (MPS) under Regulation 38 of SEBI (LODR) Regulations, 2015.</p> <p>Thank you sir. Over to Mr.M.R.Gautham</p>

<p>M.R.Gautham</p>	<p>Thank you sir</p> <p>You are aware that due to age and ill health, Mr.P.Ganesan, Chairman of the Company could not attend this meeting. I shall deliver the Chairman's speech for and behalf of him.</p>
	<p>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 33rd Annual General Meeting of the Company being held through Video Conference / Other Audio Visual Means to transact the business.</p> <p>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 as well, resulting in, the entire year was completely washed out.</p> <p>Taking into the above factors, the gross receipts of your company stood at Rs.2.30 Lakh from Rs.Nil registered in the previous year. Loss before Interest, Depreciation and Taxation was Rs.45.07 lakh against Rs.149.55 Lakh recorded in the previous year. Similarly, the Loss after Tax for the year ended March 31, 2023 stood at Rs.1849.17 lacs whereas the previous year profit was Rs. 937.72 lacs.</p> <p>In order to generate stable revenue in future, the Company is evaluating various options including leasing out of hotel property on lease rental basis.</p>

In order to settle a part of outstanding debts of the Company to RARE ARC, the Company completed the sale process of Plant & Machinery and equipments pertaining to Biomass based Renewable energy plant and land area of the said energy plant. The Company now retains Part Multiplex Area Land, Convention Centre land and Hotel property at Tirupur, Tamilnadu.

In coming year, the Company will continue to prune the debts by disposing off the assets of the Company to repay the debt fully.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 14th August 2023 has re-appointed Mr.E.V.Muthukumara Ramalingam as Managing Director for a another term of three years subject to approval of shareholders of the Company. A special resolution seeking members' approval for his re-appointment is set out in the Notice for AGM for your consideration. I request you to consider his re-appointment.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company at their meeting held on 14th August 2023 appointed Mr. Subramanyam Muralidharan as an Additional Director in the capacity of Independent. A special resolution seeking members' approval for his appointment as an Independent Director for a period of five years is set out in the Notice for AGM for your consideration. I request you to consider his appointment.

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.

	<p>I also acknowledge the unstinted support extended by our valued customers and staff members of the Company.</p> <p>I place on record our sincere thanks to RARE ARC, Canara Bank and Union Bank of India 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>
<p>M.R.Gautham</p>	<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, 2023 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>

The fourth item is to pass a special resolution for considering re-appointment of Mr.E.V.Muthukumara Ramalingam (DIN: 00046166) as the Managing Director of the Company for a period of three years.

The fifth item is to pass a Special Resolution for considering alteration of the Main Objects of Memorandum of Association of the Company

The sixth item is to pass a Special Resolution for considering the sale of assets of the Company.

The seventh item is to pass an Ordinary Resolution entering into Related Party Transaction with related parties.

The eighth item is to pass an Ordinary Resolution entering into Related Party Transaction with all other Group Entities

The ninth, tenth and eleventh items are to pass a Special Resolution for considering the sale of assets of the Company to related parties.

The twelfth item is to pass a special resolution for the appointment of Mr. Subramanyam Muralidharan having DIN 03552399 as an Independent Director of the Company (First Term) for a period of five years.

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 26th September 2023 at 5.00 p.m.

In line with the provisions of the Companies Act 2013 and various circulars issued by MCA, remote e-voting has been offered to the Members. Therefore, 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 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 the website of CDSL. The results will simultaneously be forwarded to BSE Limited.

The E-voting will be enabled for next 30 minutes and shareholders may complete their voting.

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 18th September, 2023. 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>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 their names with the Company before the AGM as speaker shareholder. A few shareholders got connected and shared their views / made comments.</p> <p>The Chairman of the Meeting responded the comments made by the shareholders satisfactorily.</p>	
<p>M.R.Gautham</p>	<p>(AFTER RESPONDING TO SHAREHOLDERS QUERIES)</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 support in all our endeavours. 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.</p> <p>Thank you very much for your support and God bless all</p>