

VELAN HOTELS LIMITED

(CIN : L55101TZ1990PLC002653)

32nd ANNUAL REPORT FOR THE YEAR ENDED 31st MARCH 2022

BOARD OF DIRECTORS

SRI P. GANESAN

CHAIRMAN (NON-EXECUTIVE) (DIN : 00049804)

SRI. E.V. MUTHUKUMARA RAMALINGAM

MANAGING DIRECTOR (DIN : 00046166)

SRI. M.R. GAUTHAM

EXECUTIVE DIRECTOR (DIN : 00046187)

SMT. M. SASIKALA

DIRECTOR (DIN : 01452586)

SRI. S.P. SIVANANDAM

DIRECTOR (DIN : 01864334)

SRI. NAGARAJ SAVEETHKUMAR

DIRECTOR (DIN : 09130676)

SRI. M. SRINIVASAN

COMPANY SECRETARY

SMT. R. LALITHA

CHIEF FINANCIAL OFFICER

SRI. S. GANESH VISWANATHAN

SECRETARIAL AUDITOR

AUDITORS

M/S. KRISHAAN & CO.,

Chartered Accountants

Flat No.10, C-Wing, 6th Floor

Parsn Manere, 442 (602) Anna Salai

Chennai 600 006

Phone : 044 - 2827 2569

E-mail : ksr@krishaan.in

REGISTRAR & SHARE TRANSFER AGENT (PHYSICAL & DEMAT)

SKDC CONSULTANTS LTD.

"Surya"

Mayflower Avenue, Behind Senthil Nagar

Sowripalayam Post, Coimbatore 641 028

Phone : 0422 - 4958995

E-mail : info@skdc-consultants.com

BANKERS

AXIS BANK LIMITED

CANARA BANK

REGD. & ADMINISTRATIVE OFFICE

No. 41 Kangayam Road, Tirupur - 641 604 Tamil Nadu

LOCATION OF HOTELS

VELAN HOTEL-GREENFIELDS

41 Kangayam Road, Tirupur - 641 604 Tamil Nadu

OTHER PROPERTIES

1. Multiplex Land (Part)
2. Convention Centre Land

VELAN HOTELS LIMITED

Regd. Office : 41, Kangayam Road, Tirupur 641 604

CIN : L55101TZ1990PLC002653

NOTICE OF THE 32nd ANNUAL GENERAL MEETING

NOTICE is hereby given that the 32nd Annual General Meeting ("AGM") of the Members of the Velan Hotels Limited will be held through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM") on Thursday, 29th September, 2022 at 11.45 a.m. to transact following businesses:

AGENDA

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at March 31, 2022 and Statement of Profit and Loss for the year ended on that date, the Cash Flow Statement and the Reports of Directors and Auditors thereon.

To consider, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT the audited standalone financial statements of the Company for the financial year ended March 31, 2022 and the reports of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted."

2. To appoint a Director in place of Mr. M.R.Gautham having DIN 00046187, who retires by rotation and being eligible, offers himself for re- appointment.

To consider, if thought fit, to pass, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, Mr. M.R.Gautham having DIN 00046187, who retires by rotation at this AGM and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, who shall be liable to retire by rotation."

3. To re-appoint the Statutory Auditor of the Company

To consider and, if thought fit, to pass the following resolutions as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, for the time being in force (including any statutory modification(s) or re-enactment thereof) and based on the recommendations of the Audit Committee and the Board of Directors of the Company, M/s.Krishaan & Co, Chartered Accountants (Firm Registration No. FRN 001453S), be and are hereby re-appointed as the Statutory Auditor of the Company, to hold office for a second term of five consecutive years from the conclusion of this 32nd Annual General Meeting until the conclusion of the 37th Annual General Meeting, at such remuneration, taxes and out of pocket expenses, as recommended by the Audit Committee and decided by the Board of Directors of the Company from time to time.

“RESOLVED FURTHER THAT the Board of Directors of the Company (hereinafter referred to as “the Board”, which term shall include any committee(s) constituted or to be constituted by the Board to exercise the powers conferred on the Board by this Resolution) be and is hereby authorised to take such steps and do and perform all such acts, deeds, matters and things, as may be considered necessary, proper or expedient to give effect to this Resolution.”

SPECIAL BUSINESS:

To consider re-appointment of Mr.M.R.Gautham (DIN: 00046187) as an Executive Director and in this regard to consider, if thought fit, to pass, the following resolutions as an Ordinary Resolution :

"RESOLVED THAT subject to the provisions of Sections 196, 197 and 203 and all other applicable provisions of the Companies Act, 2013 ("the Act") (including any statutory modification or re-enactment thereof for the time being in force) read with Schedule V to the Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Articles of Association of the Company and subject to such approvals, permissions and sanctions, as may be required, and subject to such conditions and modifications, as may be prescribed or imposed by any of the Authorities including the Central Government in granting such approvals, permissions and sanctions, approval of the Company be and is hereby accorded to the re-appointment of Mr.M.R.Gautham as the Executive Director of the Company for a further period of three years with effect from 12/08/2022 on terms and conditions as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors (hereinafter referred to the "Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said re-appointment as it may deem fit and as may be acceptable to Mr.M.R.Gautham"

"RESOLVED FURTHER THAT Mr.M.R.Gautham shall have the right to exercise such powers of Management of the Company as may be delegated to him by the Board of Directors, from time to time"

"RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution without being required to seek any further consent or approval of the Members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution"

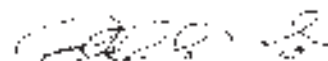
5. To consider to enter Related Party Transaction and in this regard to consider, if thought fit, to pass, the following enabling resolution as an Ordinary Resolution :

“RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 (“Act”) read with applicable rules issued under the Act (including any statutory modification(s) or re-enactment thereof, for the time being in force), as per the Indian Accounting Standard, Regulation 23 and other applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“SEBI Listing Regulations”) the Company’s Policy on “Materiality of Related Party Transactions and also on dealing with Related Party Transactions” and all other laws and regulations and as may be applicable, as amended, supplemented or re-enacted from time to time and pursuant to the consent of the Audit Committee and the consent of the Board of Directors, the approval of the members of the Company be and is hereby accorded to the Company to whether by

way of entering into new contract(s) / agreement(s) / arrangement(s) / transaction(s) or renewal(s) or continuation or extension(s) or modification(s) of earlier contract(s) / agreement(s) / arrangement(s)/ transaction(s) or otherwise for the financial years 2022-23, 2023-24 2024-25 and effective from 1st April, 2022 in the ordinary course of business and on arm's length basis with the related parties of the Company within the meaning of the Act and the SEBI - LODR Regulations, as more particularly enumerated in the explanatory statement to the Notice and for the amount stated in the explanatory statement and on such terms and conditions as may be agreed between the Company and the related parties”

“RESOLVED FURTHER THAT the Board of Directors of the Company (which includes any Committee of the Board) be and are hereby authorized to do all necessary acts, deeds, things and execute all such documents, undertaking as may be necessary in this regard from time to time to give effect to the above resolution.”

For and on behalf of the Board



E. V. Muthukumara Ramalingam
Managing Director
(DIN : 00046166)

Place : Tirupur
Date : 12.08.2022

NOTES :

1. As you are aware, in view of the situation arising due to COVID-19 global pandemic, the general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide Circular No. 14/2020 dated April 8, 2020, Circular No.17/2020 dated April 13, 2020 and Circular No. 20/2020 dated May 05, 2020. The forthcoming AGM will thus be held through Video Conferencing (VC) or Other Audio Visual Means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
2. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
3. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. Pursuant to MCA Circular No. 14/2020 dated April 08, 2020, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM. However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting. Bodies Corporate(s) whose Authorized Representatives are intending to attend the Meeting through VC/OAVM are requested to send to the Company on their email Id: investorrelations@velanhotels.com, a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting and through E-voting.
6. In line with the Ministry of Corporate Affairs (MCA) Circular No. 17/2020 dated April 13, 2020, the Notice calling the AGM has been uploaded on the website of the Company at www.velanhotels.com. The Notice can also be accessed from the websites of the Stock Exchange i.e. BSE Limited at www.bseindia.com. The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM i.e. www.evotingindia.com).
7. The AGM has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 8, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and MCA Circular No. 20/2020 dated May 05, 2020.

8. In continuation of this Ministry's General Circular No. 20/2020, dated 05th May, 2020 and after due examination, it has been decided to allow companies whose AGMs were due to be held in the year 2020 or become due in the year 2021, to conduct their AGMs on or before 31.12.2021, in accordance with the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020 as per MCA Circular No. 02/2021 dated January, 13, 2021.
9. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2022 to Thursday 29th September 2022 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013.
10. Details, as required in sub-regulation (3) of Regulation 36 of the Listing Regulations and Secretarial Standard on General Meeting (SS-2) of ICSI, in respect of the Director seeking appointment / re-appointment at the 32nd AGM, forms integral part of the Notice of the 32nd AGM. Requisite declarations have been received from the Director(s) for seeking appointment / re-appointment.
11. An explanatory Statement setting out details relating to the special business to be transacted at the Annual General meeting pursuant to Section 102(1) of the Companies Act, 2013, is annexed hereto.
12. As per the provisions of Clause 3. A. II. of the General Circular No. 20/2020 dated May 05, 2020, the matters of Special Business as Item Nos.4 & 5 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
13. Since the AGM will be held through VC/ OAVM, the route map of the venue of the Meeting is not annexed hereto.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form can submit their PAN details to the Company or to the Registrar and Share Transfer Agent.
15. Members desiring any information as regards to Accounts are requested to send an email to investorrelations@velanhotels.com 7 days in advance before the date of the meeting to enable the Management to keep full information ready on the date of AGM.
16. Members who wish to inspect the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and relevant documents referred to in this Notice of AGM and explanatory statement on the date of AGM in electronic mode can send an email to investorrelations@velanhotels.com.
17. Members may note that the dividend and shares transferred to IEPF could be claimed by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.
18. SEBI vide Circular dated November 3, 2021 and December 14, 2021 has mandated furnishing of PAN, KYC details (i.e., Postal Address with Pin Code, e-mail address, mobile number, bank account details) and nomination details by holders of physical securities through Form ISR-1, Form ISR-2, Form ISR-3,

SH-13 and SH-14 (as applicable) available at <http://www.velanhotels.com/pdf/KYC-Update-Letter-and-Forms.pdf>. PAN details are to be compulsorily linked to Aadhaar by March 31, 2023 or any other date specified by Central Board of Direct Taxes. Folios wherein any of the above cited documents / details are not available, on or after April 1, 2023, shall be frozen as per the aforesaid circular. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. If a Member desires to cancel the earlier nomination and record fresh nomination, he/she may submit the same in Form ISR-3 or Form SH-14. In respect of shares held in dematerialized form, the nomination may be filed with the respective Depository Participants. Members who are holding shares in a single name are advised to avail the nomination facility on a priority basis to save the prospective legal heirs from hassles of going through the legal process.

Effective from January 1, 2022, any service requests/ complaints received from a Member holding physical securities will not be processed by the Registrar till the aforesaid details/documents are provided to the Registrar.

Members holding shares of the Company in physical form are requested to go through the requirements on the website of the Company at <http://www.velanhotels.com/pdf/KYC-Update-Letter-and-Forms.pdf> to furnish the abovementioned details.

19. Members may please note that SEBI vide its Circular dated January 25, 2022 has mandated Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4.
20. As the Annual General Meeting of the Company is held through Video Conferencing/OAVM, the members are therefore requested to submit questions in advance relating to the business specified in this Notice of AGM on the Email-ID investorrelations@velanhotels.com
21. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
22. As per the MCA General Circular 20/2020 dated 05th May, 2020, the Annual Report will be sent through electronic mode to only those Members whose email IDs are registered with the Registrar and Share Transfer Agent of the Company/ Depository participant.
23. Shareholders of the Company holding shares either in physical form or in Dematerialised forms as on Benpos date i.e. 26th August, 2022 will receive Annual Report for the financial year 2021-22 through electronic mode only.
24. Members are requested to notify any changes in their address to the Company's Registrar & Share Transfer Agent, M/s. SKDC CONSULTANTS LTD “Surya”, Mayflower Avenue, Behind Senthil Nagar, Sowripalayam Post, Coimbatore - 641 028. - Phone : 0422 - 4958995, E-mail : info@skdc-consultants.com.

25. Members are requested to quote their Folio No. or DP ID / Client ID, in case shares are in physical / dematerialized form, as the case may be, in all correspondence with the Company / Registrar and Share Transfer Agent.
26. The Board of Directors of the Company has appointed Mr. S.Ganesh Viswanathan, Practicing Company Secretary, as the Scrutinizer, to scrutinize the e-voting and remote e-voting process in a fair and transparent manner and he has communicated his willingness to be appointed and will be available for same purpose.
27. Voting rights shall be reckoned on the paid-up value of shares registered in the name of the member / beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 22nd September, 2022.
28. The Results declared along-with the report of the Scrutinizer shall be placed on the website of the Company www.velanhotels.com and on the website of CDSL after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to the BSE Limited.
29. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 29th September, 2022.
30. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently or cast the vote again.

THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

Step 1: Access through Depositories CDSL / NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

Step 2: Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on 26/09/2022 at 9.00 a.m. and ends on 28/09/2022 at 5.00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22/09/2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at e-voting during the meeting. .
- (iii) Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09.12.2020, under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders / retail shareholders is at a negligible level.

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts / websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

Step 1: Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to abovesaid SEBI Circular, Login method for e-Voting and joining virtual meetings for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> 1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or visit www.cdslindia.com and click on Login icon and select New System Myeasi. 2) After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by the company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-Voting service providers' website directly. 3) If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration 4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on www.cdslindia.com home page or click on https://evoting.cdslindia.com/Evoting/EvotingLogin. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the e-voting is in progress and also able to directly access the system of all e-Voting Service Providers.

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> 1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. 2) If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp 3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders (holding securities in demat mode) login through their Depository Participants	<ol style="list-style-type: none"> 1) You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

Important note: Members who are unable to retrieve User ID / Password are advised to use Forget User ID and Forget Password option available at above mentioned website.