



## VELAN HOTELS LIMITED

Registered Office: 41, Kangeyam Road, Tirupur - 641 604  
Tel: +91-0421- 431 1111; Fax: +91-0421-2424434;  
Email: [accounts@velanhotels.com](mailto:accounts@velanhotels.com); Website: [www.velanhotels.com](http://www.velanhotels.com)  
GSTIN : 33AAACV8449H3Z3 / CIN : L55101TZ1990PLC2653

July 29, 2020

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

Dear Sir/ Madam

**Sub: Annual Secretarial Compliance Report for the year ended 31.03.2020 Reg**

**Ref: SEBI circular No.CIR/CFD/CMDI/ 27/2019 dated 8th February, 2019**

With reference to the above subject and in terms of the SEBI circular vide: No.CIR/CFD/CMDI/27/2019 dated 8th February, 2019, we are submitting herewith the Annual Secretarial Compliance Report for the year ended 31st March, 2020, issued by Mr.S.Ganesh Viswanathan, Practicing Company Secretary.

Kindly take the same on record

Thanking you

Yours truly,  
For **VELAN HOTELS LIMITED**

*M. Srinivasan*

**M.SRINIVASAN**  
**COMPANY SECRETARY**





**S.GANESH VISWANATHAN, M.Com., ACS**  
**Practicing Company Secretary**

Secretarial Compliance Report of Velan Hotels Limited for the year ended  
31<sup>st</sup> March, 2020

I, CS S.Ganesh Viswanathan, have examined:

- (a) all the documents and records made available to me and explanation provided by Velan Hotels Limited ("the listed entity"),
- (b) the filings/ submissions made by the listed entity to the stock exchange,
- (c) website of the listed entity,
- (d) any other document/ filing, as may be relevant, which has been relied upon to make this certification for the year ended 31<sup>st</sup> March, 2020 ("Review Period") in respect of compliance with the provisions of :
  - i. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  - ii. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India ("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- (a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; - Not applicable during the period under review
- (c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Not applicable during the period under review
- (d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; Not applicable during the period under review
- (e) Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; Not applicable during the period under review





(f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable during the period under review

(g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; Not applicable during the period under review

(h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and circulars / guidelines issued thereunder and based on the above examination, I hereby report that, during the Review Period:

(a) The listed entity has complied with the provisions of the above Regulations and circulars / guidelines issued thereunder, except in respect of matters specified below:-

Sr.No	Compliance Requirement (Regulations/ circulars / guidelines including specific clause)	Deviations	Observations/ Remarks of the Practicing Company Secretary
1	Regulation 38 of SEBI-LODR-2015	Public Shareholding 19.85%	The Company has not complied with the minimum public shareholding requirement.

(b) The listed entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder insofar as it appears from my/our examination of those records.

(c) The following are the details of actions taken against the listed entity/ its promoters/ directors/ material subsidiaries either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder:



Sr. No.	Action taken by	Details of violation	Details of action taken E.g. fines, warning letter, debarment, etc.	Observations/ remarks of the Practicing Company Secretary, if
1	BSE LTD (under the Standard Operating Procedures issued by SEBI through various circulars) for the period ended 31 <sup>st</sup> March, 2019.	Regulation 19(2) of SEBI-LODR- 2015 - The Chairman of the Board also chaired the Nomination & Remuneration Committee	BSE Ltd vide their letter No.LIST/COMP/Reg.27(2) & Reg.17 to 21/Mar-19/526755/37/2019-20 dated 2 <sup>nd</sup> May 2019 imposed the Company a fine of Rs.212400 (Inclusive of 18% GST). Despite a letter of request of waiver of the fine made to BSE Ltd by the Company on grounds that the net-worth of the Company below Rs.25 Crores. However, BSE Ltd refused to accept the Company's request and stand. Finally, the Company has remitted Rs.212400/- including GST to BSE Ltd.	The Company reconstituted the Nomination & Remuneration Committee under the relevant Acts / Regulations and circulars/ guidelines issued thereunder.


(d) The listed entity has taken the following actions to comply with the observations made in previous reports:





Sr. No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the secretarial compliance report for the year Ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	The Company has not complied with the minimum public shareholding requirement under Regulation 38 of SEBI-LODR-2015.	31/03/2019	The Company is yet to comply with Minimum Public Shareholding requirement.	SEBI issued an Interim Order dt 4/6/13 and final order dated March 2, 2015 in the matter of non-compliance with the requirement of MPS in respect of the Company.  As represented by the Company, the promoters of the Company are taking steps to comply with the requirement of MPS.
2	The Chairman of the Board also chaired the Nomination & Remuneration Committee	31/03/2019	The Chairman of the Board became a member of the Committee and the Committee elected other member as a Chairman.	At present, the Company has reconstituted the Nomination & Remuneration Committee under the provisions of SEBI-LODR-2015.

Place: Tirupur  
Date: 29.07.2020

Signature   
Name of the Practicing Company Secretary: S GANESH VISWANATHAN  
ACS No: 55207  
CP.No: 20421  
UDIN: A055207B000522674