

VENLON ENTERPRISES LIMITED

CHAIRMAN'S ADDRESS TO SHARE HOLDERS

Dear Shareholders,

I welcome you all to the Thirtieth Annual General Meeting of the Company.

The annual accounts for the year ended 31st March 2014 and the Directors Report, the Auditor's Report, Cash Flow Statement, Corporate Governance Report and the Management Discussion and Analysis have been with you for sometime and I take them as read.

Current year operations:

In my speech last year I had stated that the Company had almost shut its film line of manufacture and relied on formaldehyde and para formaldehyde and wind energy. However during the year Film segment has contributed to the operations while the other two segments remained steady thereby the company could achieve higher turnover.

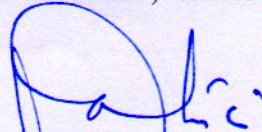
Future Operation

The company is in the process of increasing its manufacturing capacity in Formaldehyde & paraformaldehyde plants.

Direct Electrical Power supply from KEB substation with rural by-pass is in progress. This mode of power supply will result in uninterrupted power supply without frequent trippings as is happening now. Uninterrupted power supply will result improved film costing and capacity utilization of Film line of manufacture, subject to market conditions.

I record my sincere appreciation for the valuable support extended to the company by the employees, bankers, financial institutions, customers, suppliers and various Government agencies. I also thank my colleagues on the Board, whose advice and suggestions have been invaluable.

I on behalf of the Board of Directors, sincerely thank you all for your continued support.



**CHAND D. DATWANI
CHAIRMAN AND MANAGING DIRECTOR**

Date: 30th September 2013

Place: Mysore.