

## VENLON ENTERPRISES LIMITED

### CHAIRMAN S ADDRESS TO SHARE HOLDERS

Dear Shareholders,

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

The annual accounts for the year ended 31<sup>st</sup> March 2013 and the Directors Report, the Auditor s Report, Cash Flow Statement, Corporate Governance Report together with Management Discussion and Analysis have been with you for sometime and I take them as read.

#### Current year operations:

During the year the company has almost shut its film line of manufacture and relied on chemical division ie formaldehyde and paraformaldehyde and generation of wind energy to optimize financial contribution to ensure stabilized conditions of the Company.

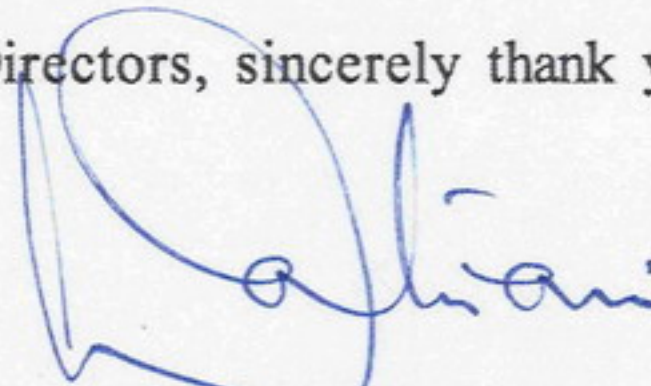
#### Future Operation

In my speech last year I had stated that the company is forced to get power for its operations from KEB, which it did and in the first phase used it for administrative lighting and for running of formaldehyde and para formaldehyde plants.

Before embarking upon KEB power for film line of manufacture, the Management had to work out the cost per unit of marketable film with increased cost of raw material and competitive market trend. The project is kept on hold including in house infrastructure capital cost to draw KEB power as the trend at present is not economically viable.

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: 30<sup>th</sup> September 2013