

Velan Hotels Limited, Tirupur.  
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444  
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com

**AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31.03.2016**

S.L. N O	Particulars	(Rs.In lakhs)				
		Quarter ended on			Year ended on	
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		Audited	Unaudited	Audited	Audited	Audited
<b>A</b>	<b>PART I</b>					
1	Income from Operations (net of excise duty)					
	(a) Hotel	270.20	325.65	324.83	1301.03	1424.53
	(b) Shopping Arcade		-	-		
	(b) Other operating income		-	-		
	Total Income from Operations (net)	270.20	325.65	324.83	1301.03	1424.53
2	Expenses					
	(a) Cost of material consumed	83.33	79.95	76.74	311.03	309.37
	(b) Employee benefits expense	70.45	81.92	104.79	306.27	343.17
	c) Power & Fuel	52.42	64.52	58.80	244.26	280.43
	d) Depreciation - Hotel	29.10	24.44	39.76	104.89	118.12
	- Shopping Arcade	20.47	28.25	25.67	102.63	102.63
	Total depreciation	49.57	52.69	65.43	207.52	220.75
	(e) Selling & administrative expenses	72.05	69.58	115.67	308.48	322.26
	Total Expenses	327.82	348.66	421.44	1377.56	1475.98
3	Profit/(Loss) from operations before other income, finance costs and exceptional items	-57.62	-23.01	-96.61	-76.52	-51.45
4	Other Income	54.49	5.97	62.07	68.53	68.78
5	Profit / (loss) from ordinary activities before finance costs and exceptional items	-3.13	-17.04	-34.54	-7.99	17.33
6	Finance Costs- hotel	-8.94	8.76	9.27	24.81	69.81
	- shopping arcade	407.30	400.36	995.83	1565.06	1368.89
	Total finance costs.	398.36	409.12	1005.10	1589.87	1438.70
7	Profit/ (Loss) from ordinary activities after finance costs but before exceptional items	-401.49	-426.16	-1039.64	-1597.87	-1421.37
8	Exceptional items	-9.29	1.69	1.49	-4.23	6.74
9	Profit / (loss) from ordinary activities before tax	-410.78	-424.47	-1038.15	-1602.10	-1414.63
10	Tax expense	-113.15	26.32	56.57	-35.43	23.33
11	Net profit / (Loss) from ordinary activities after tax	-523.93	-398.15	-981.58	-1637.53	-1391.30
12	Paidup equity share capital (Rs.10/- per share)	3196.41	3196.41	3196.41	3196.41	3196.41
13	Reserve excluding Revaluation Reserves per balance sheet of previous accounting year	490.52	299.02	2128.07	490.52	2128.07
14	Earning per share -basic	-1.64	-1.25	-3.07	-5.12	-4.35

- The above Audited financial results, reviewed by the Audit committee, were taken on record by the board of directors on 27.05.2016
- The company is actively seeking to settle the SARFAESI proceedings initiated by the banks at an early date and also to give priority to the projects which are struck due to paucity of funds.
- Previous period/year figures have been regrouped and/or reclassified, wherever necessary.
- Financial results for the quarter ended 31st March 2016 & 31 March 2015 are balancing figures between audited results for the full financial year & the published year to date figures upto the third quarter of the respective financial year.

Date: 27.05.2016  
place: tirupur.

For and on behalf of the Board  
Sd.E.V.Muthukumara Ramalingam  
Managing Director.

**CERTIFIED TRUE COPY**  
**For VELAN HOTELS LIMITED**

*M. Sotirivasan*  
Company Secretary

Segmentwise Revenue, results & capital employed for the quarter and year ended on 31.03.2016						
						(Rs. In Lakhs)
Sl.No.	Particulars	Quarter Ended on			Year Ended on	Year Ended on
		31.03.2016	31.12.2015	31.03.2015	31.03.2016	31.03.2015
		Audited	Unaudited	Audited	Audited	Audited
1	<b>Segment Revenue</b>					
	(Net sales/Income)					
	a) Hotel	270.20	325.65	324.83	1301.03	1424.53
	b) Shopping Arcade	0.00	0.00	0.00	0.00	0.00
	<b>Total</b>	<b>270.20</b>	<b>325.65</b>	<b>324.83</b>	<b>1301.03</b>	<b>1424.53</b>
	Less : Intersegment Revenue	0.00	0.00	0.00	0.00	0.00
	<b>Netsales / Income from operations</b>	<b>270.20</b>	<b>325.65</b>	<b>324.83</b>	<b>1301.03</b>	<b>1424.53</b>
2	<b>Segment Results</b>					
	(Profit/(loss) Before Interest & Tax)					
	a) Hotel	23.90	39.83	-7.54	119.06	144.15
	b) Shopping Arcade	-27.03	-56.87	-27.00	-127.05	-126.82
	<b>Total</b>	<b>-3.13</b>	<b>-17.04</b>	<b>-34.54</b>	<b>-7.99</b>	<b>17.33</b>
	Less: i) Interest	398.36	409.12	1005.10	1589.87	1438.70
	ii) Other unallocable expenditure net off			0.00	0.00	0.00
	iii) Un-allocable income	-9.29	1.69	1.49	-4.23	6.74
	<b>Total Profit / (Loss) Before Tax</b>	<b>-410.78</b>	<b>-424.47</b>	<b>-1038.15</b>	<b>-1602.10</b>	<b>-1414.63</b>
3	<b>Capital Employed</b>					
	(Segment Assets-Segment Liabilities)					
	a) Hotel	N.A	N.A	3516.09	2656.78	3516.09
	b) Shopping Arcade	N.A	N.A	2433.75	2892.04	2433.75
	<b>Total</b>	<b>N.A</b>	<b>N.A</b>	<b>5949.84</b>	<b>5548.82</b>	<b>5949.84</b>

For **VELAN HOTELS LIMITED**

*M. Srinivasan*  
Company Secretary

**STATEMENT OF ASSETS AND LIABILITIES AS AT 31.03.2016**

<b>Statement of Assets and Liabilities Particulars</b>	<b>AS AT 31.03.2016 Rs.in lakhs</b>	<b>AS AT 31.03.2015 Rs.in lakhs</b>
<b>I. EQUITY AND LIABILITIES</b>		
(1) Shareholders' Funds		
(a) Share Capital	3196.41	3196.41
(b) Reserves and Surplus	1109.13	2753.42
<b>Subtotal-shareholders funds</b>	<b>4305.54</b>	<b>5949.83</b>
(2) Non Current liabilities		
(a) Deferred tax liabilities (Net)	294.07	275.54
(b) Long Term Borrowings	10194.08	8737.26
(c) Other Long term provisions	63.03	80.61
(d) Others	580.00	580.00
<b>Subtotal-Non Current liabilities</b>	<b>11131.18</b>	<b>9673.41</b>
(3) Current Liabilities		
(a) Short Term Borrowings	130.65	130.79
(b) Trade Payables	137.40	131.98
(c) Other Current Liabilities	2553.35	2512.69
(d) Short -term provisions	0.00	0.00
<b>Subtotal- Current liabilities</b>	<b>2821.40</b>	<b>2775.46</b>
<b>TOTAL-EQUITY AND LIABILITIES</b>	<b>18258.12</b>	<b>18398.70</b>
<b>II. ASSETS</b>		
(1) Non Current assets		
(a) Fixed assets		
(i) Tangible assets	11522.74	11283.71
(ii) Intangible assets	0.00	0.00
(ii) Capital work-in-progress	6441.20	6698.13
(b) Non current investments	0.00	0.00
(b) Long-term loans and advances	125.79	141.91
<b>Subtotal-NonCurrent Assets</b>	<b>18089.73</b>	<b>18123.75</b>
(2) Current Assets		
(a) Current investments	0.00	0.00
(b) Inventories	76.04	87.75
(c) Trade receivables	25.74	126.12
(d) Cash and cash equivalent	56.43	51.98
(e) Short-term loans and advances	10.18	9.10
<b>Subtotal- Current Assets</b>	<b>168.39</b>	<b>274.95</b>
<b>Total -Assets</b>	<b>18258.12</b>	<b>18398.70</b>

For VELAN HOTELS LIMITED

*M. Sathirajan*  
Company Secretary



Annexure VII

**Auditor's Report on Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To Board of Directors of VELAN HOTELS LIMITED

We have audited the quarterly financial results of VELAN HOTELS LIMITED for the quarter ended 31.03.2016 and the year to date results for the period April 2015 to March 2016, attached herewith, being submitted by the company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. These quarterly financial results as well as the year to date financial results have been prepared on the basis of the interim financial statements, which are the responsibility of the company's management. Our responsibility is to express an opinion on these financial results based on our audit of such interim financial statements, which have been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard for Interim Financial Reporting (AS 25 / Ind AS 34), prescribed, under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder; or by the Institute of Chartered Accountants of India, as applicable and other accounting principles generally accepted in India.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial results are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts disclosed as financial results. An audit also includes assessing the accounting principles used and significant estimates made by management. We believe that our audit provides a reasonable basis for our opinion.

In our opinion and to the best of our information and according to the explanations given to us these quarterly financial results as well as the year to date results:









- (i) are presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 in this regard; and
- (ii) give a true and fair view of the net loss and other financial information for the quarter ended 31.03.2016 as well as the year to date results for the period from April 2015 to March 2016

For P.S.KRISHNAN & CO.,

(CA.S.SUBRAMANIAN),  
PARTNER,  
CHARTERED ACCOUNTANTS.  
(MEMBERSHIP NO:)  
FIRM REG.NO.020327

PLACE: TIRUPUR  
DATE : 27.05.2016

**FORM A**

1	Name of the Company	Velan Hotels Limited									
2	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2016									
3	Type of Audit observation	<p>Matter of Emphasis :</p> <ol style="list-style-type: none"> <li>The Company is not generally regular in depositing the undisputed statutory dues i.e. Provident Fund, Employees State Insurance, Income tax, Sales tax, Service tax, Cement and other statutory dues with appropriate authorities.</li> <li>The Company has not defaulted in repayment of dues to banks, except the following :</li> </ol> <table border="1" data-bbox="671 734 1289 1003"> <thead> <tr> <th>Name of Bank</th> <th>Balance due (Rs in Crores) Principal</th> <th>Balance due (Rs in Crore) Interest</th> </tr> </thead> <tbody> <tr> <td>Allahabad Bank Tirupur Branch</td> <td align="center">39.39</td> <td align="center">15.56</td> </tr> <tr> <td>Andhra Bank Coimbatore Branch</td> <td align="center">36.48</td> <td align="center">14.02</td> </tr> </tbody> </table>	Name of Bank	Balance due (Rs in Crores) Principal	Balance due (Rs in Crore) Interest	Allahabad Bank Tirupur Branch	39.39	15.56	Andhra Bank Coimbatore Branch	36.48	14.02
Name of Bank	Balance due (Rs in Crores) Principal	Balance due (Rs in Crore) Interest									
Allahabad Bank Tirupur Branch	39.39	15.56									
Andhra Bank Coimbatore Branch	36.48	14.02									
4	Frequency of observation	Repetitive									
5	<p>a. Managing Director</p> <p>b. Chief Financial Officer</p> <p>c. Auditor of the Company</p> <p>d. Audit Committee Representative</p>	<p>For Velan Hotels Ltd              Managing Director</p> <p>For Velan Hotels Ltd              Chief Financial Officer</p> <p>For P.S. Krishnan &amp; Co.,            Chartered Accountants              (S. SUBRAMANIAN)            Partner            M No 20327</p> <p>For Velan Hotels Ltd              Chairman / Member of the Committee</p> 