



VELAN HOTELS LIMITED

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Email: accounts@velanhotels.com; Website: www.velanhotels.com
GSTIN : 33AAACV8449H3Z3 / CIN : L55101TZ1990PLC2653

September 15, 2021

Department of Corporate Services
BSE Limited
P.J. Towers,
Dalal Street
Mumbai – 400001

Sub: Disclosure under Regulation 30 of the SEBI (LODR) Regulations, 2015 –
Sale / disposal of units –reg.

Dear Sirs

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that a Memorandum of Understanding (MoU) entered into among the Company, M/s.Stanes High School Association, Coonoor and M/s. Atulit Developers LLP, Coonoor, the proposed Purchasers, non-related parties, today (15th September, 2021) for sale of Company's Hotel Property situate at Coonoor, the Nilgiris District, Tamilnadu with the consent of M/s.RARE Asset Reconstruction Limited which was assigned the Company's debts together with all security interest and all rights of the Company by the Banks and has the symbolic possession of the entire properties of the Company.



The sale consideration shall be as follows for the above property:

1. Out of 2.81 acres of land, M/s.Stanes High School Association, one of the proposed purchasers, will get 0.52 Acres of land for total sale consideration of Rs.5,80,00,000/- for adjustment of the sum paid by them as advance for buying the subject hotel property earlier.
2. Out of 2.81 acres of land, M/s.Atulit Developers LLP, Coonoor, other proposed purchaser, will get 2.28-7/16 Acres of land together with the buildings standing thereon for total sale consideration of Rs.11,11,11,111/-. Out of total consideration, Rs.10 Crore will be paid to settle a part of outstanding debts to M/s.RARE ARC in terms of company's final One-Time Settlement (OTS) offer approved by the said ARC on 20th May, 2021, Rs.1.00 Crore to be paid to M/s.Stanes High School Association by M/s.Atulit Developers LLP and the sum of Rs.11,11,111/- towards TDS payable on the above two transactions.

The Company shall, with respect to disclosures as referred above, make disclosures updating material developments on a regular basis, till such time the event is resolved / closed, with relevant explanations.

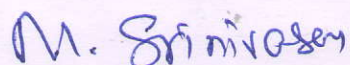
The relevant disclosure in terms of SEBI Circular No. CIR/CFD/CMD/4/2015 September 09, 2015 is enclosed as Annexure-A:

Kindly acknowledge the receipt

Thanking you

Yours truly

For Velan Hotels Limited



M.Srinivasan

Company Secretary

Annexure-A

The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	<p><u>Hotel Property at Coonoor</u></p> <p>i. Income : Nil</p> <p>ii. Networth as on 31/03/2021 is Rs.148.83 lakh</p> <p>iii. percentage : 100%</p>
Date on which the MoU / agreement for sale has been entered into	15/09/2021
The expected date of completion of sale/disposal	On or before 30 th September, 2021
Consideration received from such sale / disposal	Rs.16,91,11,111/-
Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes, details thereof	<p>1. M/s.Stanes High School Association, Coonoor - Founded in 1858 by Thomas Stanes - The school is one of the oldest in the Nilgiris District, Tamilnadu situate in the heart of the town of Coonoor - Adjacent to the Hotel property.</p> <p>2. M/s.ATULIT DEVELOPERS LLP is a Limited Liability Partnership Company, carrying business of infrastructure and housing development.</p> <p>The above proposed buyers are not belonging to the promoter / promoter group / group companies.</p>
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arm's length"	It is not a related party transaction
Additionally, in case of a slump sale, indicative disclosures provided for amalgamation/merger, shall be disclosed by the listed entity with respect to such slump sale	Not applicable

