



VELAN HOTELS LIMITED

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

Date : 17/11/2020

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 on 10th November, 2020 between the Company and M/s.Avenue Supermarts Limited, Mumbai, the proposed purchaser, non-related party, for sale of Company's Shopping Mall and part of Multiplex properties with the consent of M/s.RARE Asset Reconstruction Limited which was assigned the Company's debt 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. In addition to the above properties, the Company owns Hotel properties at Tirupur and Coonoor, properties of Biomass based Renewable energy plant and vacant land of convention hall, all of which are non functional as of now and are located in Tirupur, Tamilnadu. After deducting the property tax dues, Electricity Bill dues and other statutory dues that are only directly associated with this property (Shopping Mall), the entire sale proceeds will be adjusted towards our proposed revised One-Time Settlement (OTS) to be approved / agreed by M/s. RARE Asset Reconstruction Limited, the details of which will be concluded once the sale date is finalized.



: 2 :

Reason for delay in disclosure: Pursuant to Regulation 30(6) of SEBI (LODR) Regulations, 2015, it is hereby informed that the Memorandum of Understanding (MoU) was signed by M/s.Avenue Supermarts Limited, the proposed purchaser, and the Company today at Tirupur, Tamilnadu. This MoU, however, has been dated 10th November, 2020.

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.

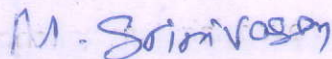
The relevant disclosure in terms of SEBI Circular No. CIR/CFD/CMD/4/2015 September 09, 2015 is enclosed as Annexure-A:

Kindly acknowledge the receipt

Thanking you

Yours truly

For Velan Hotels Limited



M.Srinivasan

Company Secretary

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>a.Shopping Mall and Multiplex (part)</u></p> <p>i.Income : Nil</p> <p>ii.Networth as on 31/03/2020 is Rs.64.82 crore of which Rs.56.23 crore worth of property to be sold</p> <p>iii. a) percentage 100% of shopping mall b) percentage 41.19% of Multiplex</p>
Date on which the / MoU / agreement for sale has been entered into	10/11/2020
The expected date of completion of sale/disposal	Within 6 weeks of entering into MoU with the buyer.
Consideration received from such sale/disposal	Rs.35.4375 Crores for Shopping Mall & for Multiplex (part)
Brief details of buyers and whether any of the buyers belong to the promoter/promoter group/group companies. If yes,details thereof	<p>M/s.Avenue Supermarts Limited, Mumbai, a leading Indian chain of hypermarkets running under brand name of D-Mart</p> <p>The above proposed buyer is 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

