

Velan Hotels Limited, Tirupur.
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com
CIN: L55101TZ1990PLC002653

Statement of Standalone Unaudited Financial Results for the Quarter and Nine months ended 31st December 2017

(Rs.in lakhs)

SL-NO	Particulars	Quarter Ended			Nine months Ended		Year Ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
1	Net Sales (net of duties)/income from operations	213.75	241.89	272.49	658.88	910.25	1,173.12
2	Other income	3.07	6.04	13.76	16.33	25.69	65.30
3	Total income	216.82	247.93	286.25	675.21	935.94	1,238.42
4	Expenses						
	a) Cost of materials consumed	48.91	46.89	61.26	138.78	191.72	246.38
	b) purchases of Stock-in-trade progress	-	-	-	-	-	-
	c) Employee benefits expenses	68.36	63.63	69.92	192.23	205.52	291.10
	d) Finance costs	5.48	6.80	476.64	19.16	1,375.19	1,837.20
	e) Depreciation and amortisation expenses	46.81	43.32	58.23	140.32	174.63	195.81
	f) power & fuel	41.27	48.94	53.02	136.96	170.14	219.35
	f) other expenses	71.88	60.53	62.68	187.37	218.97	299.64
	Total expenses	282.71	270.11	781.75	814.82	2,336.17	3,089.48
5	profit/(loss)before exceptional and tax	(65.89)	(22.18)	(495.50)	(139.61)	(1,400.23)	(1,651.06)
6	Exceptional items (net credit/charge)	1.70	1.63	1.72	5.09	5.06	(34.18)
	Extraordinary items (net of expenses)	-	-	-	-	(30.52)	-
7	Profit/(loss) before tax	(64.19)	(20.55)	(493.78)	(134.52)	(1,425.69)	(1,885.24)
8	Tax expenses						
	a. Current Tax	-	-	-	-	-	-
	b. Deferred tax credit/(charge)	(20.36)	8.95	37.72	(63.13)	(20.68)	(68.05)
	c. Income tax for earlier years	-	-	-	-	-	1.02
	d. Mat credit Entitlement	-	-	-	-	-	-
9	Profit/(loss) for the period from continuing operations	(84.55)	(11.60)	(456.06)	(197.65)	(1,446.37)	(1,952.27)
10	Profit/(loss) from discontinued operations before tax	-	-	-	-	-	-
11	Tax expenses of discontinued operation	-	-	-	-	-	-
12	Profit/(loss) from discontinued operations after Tax	-	-	-	-	-	-
13	Profit/(loss) for the period	(84.55)	(11.60)	(456.06)	(197.65)	(1,446.37)	(1,952.27)
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-	-
15	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(84.55)	(11.60)	(456.06)	(197.65)	(1,446.37)	(1,952.27)
16	Paid up equity share capital (face value Rs.10/- per share)	3,196.41	3,196.41	3,196.41	3,196.41	3,196.41	3,196.41
17	Reserves Excluding Revaluation reserves						(1,461.74)
17	a) Earnings per share						
	Basic	(0.26)	(0.04)	(1.43)	(0.62)	(4.52)	(6.11)
	Diluted	(0.26)	(0.04)	(1.43)	(0.62)	(4.52)	(6.11)

Notes:

- Provision for Gratuity /Leave encashment has been made on estimated basis pending ascertainment on actuarial basis which is normally carried out in the year end Financial Statements.
- Exceptional items includes write off of Depreciation on Revalued assets.
- The above unaudited financial results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the Company held on 13.02.2018
- Consequent to implementation of Goods and Service Tax(GST) regime effective from 1 July 2017, Revenue is presented exclusive of GST and Revenue for all other period were excluding Duty. In accordance with "Ind AS-18- Revenue", is not included in Gross Sales. In view of the aforesaid change in Indirect Taxes, Sales for the Quarter and Nine months ended is net of GST.
- The financial results of the Quarter and Nine months ended 31st December 2016 has been reviewed by predecessor Auditors. The Financial results for the year ended 31st March 2017 as well as the Reconciliation of Profit/(Loss) under Indian Accounting Standards ("Ind AS") have been audited/reviewed by the predecessor Auditors.
- In the light of continued discussions with M/s.RARE Asset Reconstruction Private Ltd (ARC), Ahmedabad-380009, Interest accrued and due on borrowings taken over by the said company from banks have not been considered in the above results.



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- 7) The valuation of the assets tied to the borrowings taken over by M/s. RARE Asset Reconstruction Private Ltd (ARC), Ahmedabad-380009, have not been carried out pending the conclusion of discussion on entering into a definitive agreement. The net realisable values of such assets not being quantifiable as on date pending the definitive agreement, the impairment to such assets, if any, have been deferred.
- 8) Effective 1 April 2017, the Company has adopted Indian Accounting Standards ("IndAS") as prescribed under section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Accounting Standards) Rules, 2015. Accordingly, the above financial results including the comparative periods have been prepared in accordance with the recognition and measurement principles laid down under Ind AS 34, Interim Financial Reporting.

The reconciliation of Net Profit/(Loss) reported in accordance with the previous Indian GAAP to Total Comprehensive Income in accordance with Ind AS for its corresponding quarter of the previous year as required by Securities and Exchange Board of India vide, its Circular No. CIR/CFD/FAC/62/2016 dated July 05,2016(Circular) is given below:

Particulars	Quarter Ended 31-12-16	Nine Months Ended 31-12-16	Year Ended 31-03-17
1) Net Profit/(Loss) as per Previous Indian GAAP	(456.06)	(1,446.37)	(1,952.27)
2) Consequent Changes in Translation to Ind AS	-	-	-
3) Reclassification of Actuarial Gain/(Loss) on Defined Benefit Plans to Other Comprehensive Income (net of Tax)	-	-	-
4) Net Profit/(Loss) after Tax under Ind AS	(456.06)	(1,446.37)	(1,952.27)
5) Other Comprehensive Income (net of Tax)	-	-	-
6) Total Comprehensive Income as per Ind AS	(456.06)	(1,446.37)	(1,952.27)

- 9) Income for the quarter ended September 30,2017 and the corresponding Nine months ended 31st December, 2017 was adversely effected by the decision of the Supreme Court banning sale of Alcoholic Beverages within 500 meters of National and State Highways w.e.f 01/04/2017. However based on the relaxation given by the Hon'ble Supreme Court, the company has commenced sale of alcoholic beverages w.e.f September 1st, 2017.
- 10) The Company does not have any extraordinary item to report for the above periods.
- 11) Previous period/year figures have been regrouped and/or reclassified,wherever necessary.

Date: 13.02.2018
Place: Tirupur

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



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Segment-wise Revenue, Result and capital employed for the Quarter and Nine months ended 31st December 2017.

(Rs. In Lakhs)

S no	Particulars	Quarter ended			Nine months ended		year ended
		Unaudited			Unaudited		Audited
		31.12.2017	30.09.2017	31.12.2016	31.12.2017	31.12.2016	31.03.2017
1	Segment Revenue						
	(Net sales/Income)						
	a) Hotel	213.75	241.89	272.49	658.88	910.25	1173.12
	b) Shopping Arcade	-	-	-	-	-	-
	Total	213.75	241.89	272.49	658.88	910.25	1173.12
	Less : Intersegment Revenue	-	-	-	-	-	-
	Netsales/Income from operations	213.75	241.89	272.49	658.88	910.25	1173.12
2	Segment results						
	(profit/loss before interest & tax)						
	a) Hotel	(32.83)	9.85	10.91	(33.06)	63.60	105.56
	b) Shopping Arcade	(27.58)	(25.23)	(29.77)	(87.39)	(88.64)	(119.42)
	Total	(60.41)	(15.38)	(18.86)	(120.45)	(25.04)	(13.86)
	Less: i) interest	(5.48)	(6.80)	476.64	(19.16)	1375.19	(1837.20)
	ii) Other unallocable expenditure net off	-	-	-	-	30.52	-
	iii) Un-allocable income	1.70	1.63	1.72	5.09	5.06	(34.18)
	Total profit/(Loss) Before tax	(64.19)	(20.55)	(493.78)	(134.52)	(1425.69)	(1885.24)
3	Capital Employed						
	(segment assets-segment liabilities)						
	a) Hotel	N.A.	N.A.	N.A.	N.A.	N.A.	2626.05
	b) Shopping Arcade	N.A.	N.A.	N.A.	N.A.	N.A.	1038.70
	Total	N.A.	N.A.	N.A.	N.A.	N.A.	3664.75

Notes on Segment reporting:

- As per Ind AS 108 - Operating Segments, the Company has identified Hotel and Shopping Arcade as reportable segment.
- Figures have been regrouped and reclassified wherever necessary

Date: 13.02.2018
Place: Tirupur

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

For VELAN HOTELS LIMITED

M. Srinivasan
Company Secretary