

Velan Hotels Limited, Tirupur.
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CIN: L55101TZ1990PLC002653

Statement of Standalone Unaudited Financial Results for the Quarter Ended and Nine Months ended 31st December 2018

(Rs.in lakhs)

SL. NO	Particulars	Quarter ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	138.40	177.73	213.75	503.97	658.88	857.12
2	Other income	2.28	1.50	3.07	6.62	16.33	13.75
3	Total income	140.68	179.23	216.82	510.59	675.21	870.87
4	Expenses						
	a) Cost of materials consumed	25.98	32.49	48.91	94.13	138.78	175.80
	b) Purchases of Stock-in-trade progress	0.00	0.00	0.00	0.00	0.00	0.00
	c) Employee benefits expenses	58.72	59.14	68.36	175.48	192.23	242.16
	d) Depreciation and amortisation expenses	45.02	45.02	46.81	135.06	140.32	184.69
	e) Power and fuel	34.97	40.87	41.27	123.30	136.96	177.88
	f) Other expenses	25.97	51.62	71.88	120.84	187.37	238.11
	Total expenses	190.66	229.14	277.23	648.81	795.66	1018.64
5	Profit/(loss) before Finance Costs,exceptional and Tax	(49.98)	(49.91)	(60.41)	(138.22)	(120.45)	(147.77)
6	Finance Costs	6.50	5.56	5.48	17.31	19.16	24.29
7	Profit/(loss) after Finance Costs but before exceptional and Tax	(56.48)	(55.47)	(65.89)	(155.53)	(139.61)	(172.06)
8	Exceptional items (net credit/charge)	0.00	0.00	1.70	0.00	5.09	0.00
9	Profit/(loss) before tax	(56.48)	(55.47)	(64.19)	(155.53)	(134.52)	(172.06)
	a. Current Tax	0.00	0.00	0.00	0.00	0.00	0.00
	b. Deferred tax credit/(charge)	0.00	14.88	(20.36)	0.00	(63.13)	(75.47)
	c. Income tax for earlier years	0.00	0.00	0.00	0.00	0.00	0.00
	d. Mat credit Entitlement	0.00	0.00	0.00	0.00	0.00	0.00
10	Profit/(loss) for the period from continuing operations	(56.48)	(40.59)	(84.55)	(155.53)	(197.65)	(247.53)
11	Profit/(loss) from discontinued operations before tax	0.00	0.00	0.00	0.00	0.00	0.00
12	Tax expenses of discontinued operation	0.00	0.00	0.00	0.00	0.00	0.00
13	Profit/(loss) from discontinued operations after Tax	0.00	0.00	0.00	0.00	0.00	0.00
14	Profit/(loss) for the period	(56.48)	(40.59)	(84.55)	(155.53)	(197.65)	(247.53)
15	Other comprehensive income/Loss for the period	0.00	0.00	0.00	0.00	0.00	0.00
	a) i) Items that will not be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
	ii) Income tax relating to items that will not be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
	b) i) Items that will be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
	ii) Income tax relating to items that will be reclassified subsequently to profit or loss	0.00	0.00	0.00	0.00	0.00	0.00
	Other comprehensive income for the period (net of tax)	0.00	0.00	0.00	0.00	0.00	0.00
16	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(56.48)	(40.59)	(84.55)	(155.53)	(197.65)	(247.53)
17	Paid up equity share capital (face value Rs.10/- per share)	3196.41	3196.41	3196.41	3196.41	3196.41	3196.41
18	Reserves Excluding Revaluation reserves						(1702.48)
19	a) Earnings per share						
	Basic	(0.18)	(0.13)	(0.26)	(0.49)	(0.62)	(0.77)
	Diluted	(0.18)	(0.13)	(0.26)	(0.49)	(0.62)	(0.77)

Notes:

1) The above Financial results were reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the company held on 11.02.2019

2) The figures of the Nine months ended 31st December 2018 are the balancing figure between the Limited Review of 9 Months ended 31st December 2018 and Limited Review of Six Months ended 30th September 2018.

- 3) In the light of continued discussions with M/s.RARE Asset Reconstruction Private Ltd (ARC), Ahmedabad-380009, and the uncertainty in the principal amount payable, the Interest accrued and due on such borrowings taken over by the ARC from banks have not been considered in the above results.
- 4) 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. Hence the Impairment of such assets, if any, have been deferred.
- 5) The Company ("Respondents") had delayed in the payment of one of its Suppliers ("Petitioners") and the said matter was reported to the Hon'ble High Court of Judicature, Madras. During the course of hearings, the court had directed the Petitioner and Respondent to resort to Arbitration in Chennai under the jurisdiction of the Court as per the contract between the Petitioner and Respondent. Accordingly the Petitioner has filed the application for Arbitration in this matter and the proceedings are awaited. Subsequent to the withdrawal of the case from the court, no penalty or additional charges is being levied on the Company at this juncture.
- 6) The performance of the quarter is not representative of the full year's performance
- 7) 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.
- 8) The Company does not have any extraordinary item to report for the above periods.
- 9) Exceptional items includes write off of Depreciation on Revalued assets.
- 10) In view of the Accumulated Business and Depreciation Loss, and there being no certainty of profits in the near future, provision for Deferred Taxes has not been considered in these financial statements for the Nine months ended 31st December 2018.
- 11) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 11.02.2019
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 Ended and Nine Months ended 31st December 2018.

sl.no.	Particulars	Quarter ended			Nine Months Ended		Year Ended
		31.12.2018	30.09.2018	31.12.2017	31.12.2018	31.12.2017	31.03.2018
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(Net sales/Income)						
	a) Hotel	138.40	177.73	213.75	503.97	658.88	857.12
	b) Shopping Arcade	0.00	0.00	0.00	0.00	0.00	0.00
	Total	138.40	177.73	213.75	503.97	658.88	857.12
	Less: Intersegment Revenue	0.00	0.00	0.00	0.00	0.00	0.00
	Netsales/Income from operations	138.40	177.73	213.75	503.97	658.88	857.12
2	Segment results						
	(profit/loss before interest & tax)						
	a) Hotel	(25.04)	(22.57)	(32.83)	(58.15)	(33.06)	(43.94)
	b) Shopping Arcade	(27.24)	(28.83)	(27.58)	(86.69)	(87.39)	(117.58)
	Total	(52.28)	(51.40)	(60.41)	(144.84)	(120.45)	(161.52)
	Less: i) interest	(6.50)	(5.56)	(5.48)	(17.31)	(19.16)	(24.29)
	ii) Other unallocable expenditure net off	0.00	0.00	0.00	0.00	0.00	0.00
	iii) Un-allocable income	2.30	1.50	1.70	6.62	5.09	13.75
	Total profit/loss before tax	(56.48)	(55.47)	(64.19)	(155.53)	(134.52)	(172.06)
3	Capital Employed						
	(segment assets-segment liabilities)						
	Segment Assets						
	a) Hotel	6559.80	6581.12	NA	6559.80	NA	6633.08
	b) Shopping Arcade	4719.73	4745.40	NA	4719.73	NA	4796.74
	c) Unallocated	6479.92	6479.92	NA	6479.92	NA	6479.92
	Total Segment Assets	17759.45	17806.44	NA	17759.45	NA	17909.74
	Segment Liabilities						
	a) Hotel	13032.92	12630.32	NA	13032.92	NA	12632.18
	b) Shopping Arcade	2738.72	2738.72	NA	2738.72	NA	2741.12
	c) Unallocated	44.47	437.58	NA	44.47	NA	437.58
	Total Segment Liabilities	15816.11	15806.62	NA	15816.11	NA	15810.89

Notes on Segment reporting:

1. As per Ind AS 108 - Operating Segments, the Company has identified Hotel and Shopping Arcade as reportable segment.

2. Figures have been regrouped and reclassified wherever necessary

Date: 11.02.2019

Place: Tirupur

For and on behalf of the Board

Sd.E.V.Muthukumara Ramalingam

Managing Director.