

**Statement of Standalone Unaudited Financial Results for the Quarter and Half Year ended 30th September 2021**

SLNO	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	-	-	-	-	4.03
2	Other income	-	-	-	-	-	8.36
3	<b>Total income</b>	-	-	-	-	-	<b>12.39</b>
4	<b>Expenses</b>						
a)	Cost of materials consumed	-	-	-	-	-	5.54
b)	Purchases of Stock-in-trade progress	-	-	-	-	-	-
c)	Employee benefits expenses	2.73	4.05	4.36	6.78	7.48	15.85
d)	Finance costs	0.01	0.02	-	0.03	0.02	0.08
e)	Depreciation and amortisation expenses	25.34	25.34	41.94	50.68	83.89	167.78
f)	Power & Fuel	0.13	0.25	5.98	0.38	13.64	17.60
ff)	Other expenses	113.09	5.17	10.52	118.26	27.50	85.40
	<b>Total expenses</b>	<b>141.30</b>	<b>34.83</b>	<b>62.80</b>	<b>176.13</b>	<b>132.53</b>	<b>292.25</b>
5	Profit/(loss) before exceptional and tax	(141.30)	(34.83)	(62.80)	(176.13)	(132.53)	(279.86)
6	Exceptional items (net credit/charge)	1,211.02	-	-	1,211.02	-	164.37
7	<b>Profit/(loss) before tax</b>	<b>1,069.72</b>	<b>(34.83)</b>	<b>(62.80)</b>	<b>1,034.89</b>	<b>(132.53)</b>	<b>(115.49)</b>
8	<b>Tax expenses</b>						
a.	Current Tax	-	-	-	-	-	-
b.	Deferred tax credit/(charge)	-	-	-	-	-	122.63
c.	Income tax for earlier years	-	-	-	-	-	-
d.	Mat credit Entitlement	-	-	-	-	-	-
9	<b>Profit/(loss) for the period from continuing operations</b>	<b>1,069.72</b>	<b>(34.83)</b>	<b>(62.80)</b>	<b>1,034.89</b>	<b>(132.53)</b>	<b>7.13</b>
10	Profit/(loss) from discontinued operations before tax	-	-	-	-	-	-
11	Tax expenses of discontinued operation	-	-	-	-	-	-
12	Profit/(loss) from discontinued operations after Tax	-	-	-	-	-	-
13	<b>Profit/(loss) for the period</b>	<b>1,069.72</b>	<b>(34.83)</b>	<b>(62.80)</b>	<b>1,034.89</b>	<b>(132.53)</b>	<b>7.13</b>
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-	-
15	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>1,069.72</b>	<b>(34.83)</b>	<b>(62.80)</b>	<b>1,034.89</b>	<b>(132.53)</b>	<b>7.13</b>
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	-	-	-	-	-	(2,215.34)
18	<b>a) Earnings per share</b>						
Basic		3.35	(0.11)	(0.20)	3.24	(0.41)	0.03
Diluted		3.35	(0.11)	(0.20)	3.24	(0.41)	0.02

**Notes:**

- The financials have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of The Companies Act, 2013 read with Rule 3 of The Companies (Indian Accounting Standards) Rules, 2015 and relevant amendments thereafter.
- The above Financial results have been reviewed by the Audit Committee and approved at the meeting of the Board of Directors of the company held on 11 November 2021.
- The Company has assessed the possible impact of COVID-19 in preparation of the standalone interim financial results, including but not limited to its assessment of liquidity and going concern assumption, recoverable values of its financial and non-financial assets and impact on revenues and costs. The Company has considered internal and external sources of information and has performed sensitivity analysis on the assumptions used and based on current estimates, expects to recover the carrying amount of these assets. The impact of Covid-19 may be different from that estimated as at the date of approval of these standalone interim financial results and the Company will continue to closely monitor any material changes to future economic conditions.
- The company had suspended all the revenue generating operations w.e.f 24 Mar 2020. The company is exploring options of selling a part or all of its revenue generating assets to settle all liabilities. In view of the above, the Company's ability of continuing as a Going concern is dependent on the value that can be generated by the sale of assets and the surplus, if any, available subsequent to the settlement of all liabilities. In view of the uncertainty on the realisable values, the impairment to the value of assets is not ascertainable at this juncture.



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CIN: L55101Y21990PLC002653

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- 5) The Company's account was categorized as NPA by Allahabad Bank and Andhra Bank during the year 2014. In April, 2017, the said Banks assigned the entire debts of the Company alongwith all underlying security interest, all rights, title & benefits to M/s.RARE Asset Reconstruction Limited (previously known as Raytheon Asset Reconstruction Private Limited) under the applicable provisions of the SARFAESI ACT. The Company opted for One-Time Settlement offer with the said ARC and obtained in-principle approval from them during March, 2021 and the final approval of OTS has now been received. As per terms of in-principle approval, the initial payment of Rs.30 crores was already paid to the said ARC on 30th March, 2021 from the proceeds of sale of Shopping Mall and part of Multiplex properties and paid Rs.10 crore during this quarter from the proceeds of sale of Hotel at Coonoor (Refer Note 6).
- 6) The Company entered into a Memorandum of Understanding (MoU) on 10th November, 2020 with M/s. Avenue Supermarkets Limited, Mumbai, 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 ("RARE" or "ARC") 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 for a total consideration of Rs. 35,43,75,000.
- During September 2021, The Company entered into another Memorandum of Understanding (MoU) with M/s. Stanes High School Association, Coonoor, non-related party and M/s. Atulit Developers LLP, Coonoor for sale of Company's Hotel at Coonoor with the consent of M/s.RARE Asset Reconstruction Limited ("RARE" or "ARC") 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 for a total consideration of Rs. 15,91,11,111. Out of total Consideration the company has received Rs. 11,11,11,111 from M/s. Atulit Developer LLP for Sale of part of Land and Total Building and paid Rs.10 Crore to M/s.Rare Asset Reconstruction Limited and repaid Rs. 1 Crore to M/s. Stanes High School Association towards advance received in earlier years for Sale of coonoor property amounting to Rs. 5.80 Crore.
- The company has entered into Memorandum of understanding with M/s. Stanes High School Association for Sale of 52 Cents of Land at coonoor for the remaining advance of Rs. 4.80 Crore and sale was completed on 27 October 2021.
- 7) There has been delay in meeting the statutory obligations and dues relating to Goods & Services Tax, Value Added Taxes and Service Tax are overdue by more than 12 months. The Company is taking necessary steps to regularize the Statutory Dues as and when the sales of assets of companies are completed. There were no amount outstanding pertaining to the accounting year 2020-21.
- 8) Exceptional items during the quarter and half year ended September 2021 comprises of profit on disposal of Company's Hotel at Coonoor for a total consideration of Rs. 15,91,11,111. No provisions for taxation is considered during this quarter and same will reviewed at year end based on the benefits available to the company under the provision Income Tax Act, 1961.
- 9) Effective 1 April 2019, the Company has adopted "IndAS-116-Leases". This standard is not having any material impact to these financial statements of the company.
- 10) Confirmation of balances have not obtained from Sundry Debtors and Sundry Creditors and accordingly the respective figures have been stated at book values.
- 11) The status of pending litigations filed by Bankers and Statutory Authorities against the company remains status quo as reported in previous quarters. No additional litigations have been brought to the Company's notice.
- 12) No Provision for Gratuity /Leave encashment has been considered during the period due to all the employees of the company except KMP have resigned and there are no eligible employees during the year under review.
- 13) 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 period ended 30th September 2021.
- 14) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 11.11.2021  
Place: Tirupur

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

For VELAN HOTELS LIMITED

M Srinivasan  
Company Secretary

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Segment-wise Revenue, Result and capital employed for the Quarter and Half Year ended 30th September 2021							
S no	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2021	30.06.2021	30.09.2020	30.09.2021	30.09.2020	31.03.2021
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue						
	(Net sales/Income)						
	a) Hotel - Tiruppur	-	-	-			4.03
	b) Hotel - Coonoor	-	-	-			-
	<b>Total</b>	-	-	-			<b>4.03</b>
	Less : Intersegment Revenue		-	-			-
	<b>Net sales/Income from operations</b>	-	-	-			<b>4.03</b>
2	Segment results						
	(profit/loss before interest & tax)						
	a) Hotel - Tiruppur	(132.03)	(31.72)	(59.83)	(163.75)	(126.49)	(267.00)
	b) Hotel - Coonoor	(9.26)	(3.08)	(2.97)	(12.35)	(6.03)	(12.78)
	<b>Total</b>	<b>(141.29)</b>	<b>(34.81)</b>	<b>(62.80)</b>	<b>(176.10)</b>	<b>(132.51)</b>	<b>(279.78)</b>
	Less: i) Interest	(0.01)	(0.02)	-	(0.03)	(0.02)	(0.08)
	ii) Other unallocable expenditure net off	-	-	-			-
	iii) Un-allocable income	-	-	-			-
	<b>Total profit/(Loss) Before tax</b>	<b>(141.30)</b>	<b>(34.83)</b>	<b>(62.80)</b>	<b>(176.13)</b>	<b>(132.53)</b>	<b>(279.86)</b>
3	Capital Employed						
	(segment assets-segment liabilities)						
	<b>Segment Assets</b>						
	a) Hotel - Tiruppur	5,728.60	5,694.79	12,129.78	5,728.60	12,129.78	5,712.92
	b) Hotel - Coonoor	9.10	399.52	406.70	9.10	406.70	401.31
	c) Unallocated	4,573.18	4,722.00	4,753.50	4,573.18	4,753.50	4,732.50
	<b>Total Segment Assets</b>	<b>10,310.89</b>	<b>10,816.30</b>	<b>17,289.99</b>	<b>10,310.89</b>	<b>17,289.99</b>	<b>10,846.73</b>
	<b>Segment Liabilities</b>						
	a) Hotel - Tiruppur	7,123.26	8,115.85	14,515.93	7,123.26	14,515.93	8,112.61
	b) Hotel - Coonoor	16.92	599.46	597.90	16.92	597.90	598.32
	c) Unallocated	570.19	570.19	570.19	570.19	570.19	570.19
	<b>Total</b>	<b>7,710.37</b>	<b>9,285.50</b>	<b>15,684.02</b>	<b>7,710.37</b>	<b>15,684.02</b>	<b>9,281.12</b>
Notes on Segment reporting:							
1. As per Ind AS 108 - Operating Segments, the Company has identified Hotel- Tiruppur and Hotel - Coonoor as reportable segment.							
2. Figures have been regrouped and reclassified wherever necessary							
Date: 11/11/2021							
Place: Tirupur							
Sd.E.V.Muthukumara Ramalingam							
M.D.							

For VELAN HOTELS LIMITED

M. Srinivasan  
Company Secretary

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Statement of Cash flow statement for the Half year ended 30 September 2021

Particulars	Half Year Ended 30.09.2021 (Unaudited)		For the year ended 31.03.2021 (Audited)	
<b>A. Cash flow from operating activities</b>				
Net Profit / (Loss) before extraordinary items and tax		(176.13)		(279.86)
Adjustments for:				
Depreciation and amortisation	50.68		167.78	
Finance costs	0.03		0.08	
Interest Income	-		(1.22)	
Exceptional Item	1,211.02		164.37	
Net (gain)/loss on sale of Fixed Assets	(1,211.02)		(164.37)	
Liabilities / provisions no longer required written back	-	50.71	1,319.55	1,486.19
<b>Operating profit / (loss) before working capital changes</b>		<b>(125.42)</b>		<b>1,206.33</b>
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-		5.54	
Trade receivables	-		0.33	
Short-term loans and advances	103.44		(96.71)	
Long-term loans and advances	-		(470.57)	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(0.52)		(14.07)	
Other Financial liabilities	(24.55)		6.52	
Other long-term liabilities	(580.00)		(12.78)	
Employees Benefit Obligation	(2.30)		-	
<b>Cash flow from extraordinary items</b>		<b>(503.93)</b>		<b>(581.74)</b>
Cash generated from operations		(629.35)		624.59
Net income tax (paid) / refunds		(11.11)		(31.62)
<b>Net cash flow from / (used in) operating activities (A)</b>		<b>(640.46)</b>		<b>592.98</b>
<b>B. Cash flow from investing activities</b>				
Capital expenditure on fixed assets, including capital advances	-		-	
Proceeds from Sale of Fixed Assets	1,606.11		3,557.75	
<b>Net cash flow from / (used in) investing activities (B)</b>		<b>1,606.11</b>		<b>3,557.75</b>
<b>C. Cash flow from financing activities</b>				
Proceed from long-term borrowings	-		-	
Proceeds/(Repayment) from Short-Term borrowings	-		-	
Repayment of Long Term Borrowings	(963.38)		(4,152.21)	
Interest received	-		1.22	
Dividend Paid	-		-	
Finance cost	(0.03)		(0.08)	
<b>Net cash flow from / (used in) financing activities (C)</b>		<b>(963.41)</b>		<b>(4,151.06)</b>
<b>Net increase / (decrease) in Cash and cash equivalents (A+B+C)</b>		<b>2.24</b>		<b>(0.34)</b>
Cash and cash equivalents at the beginning of the year		0.31		0.65
<b>Cash and cash equivalents at the end of the year</b>		<b>2.55</b>		<b>0.31</b>

