

Statement of Standalone Unaudited Financial Results for the Quarter ended 30th June 2020

SL.NO	Particulars	Quarter Ended		Year Ended	
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	27.31	100.82	328.59
2	Other Income	-	4.03	2.24	10.64
3	<b>Total Income</b>	-	<b>31.34</b>	<b>103.06</b>	<b>339.23</b>
4	Expenses	-	0.45	28.27	112.12
	a) Cost of materials consumed	-	-	-	-
	b) Purchases of Stock-in-trade progress	-	-	-	-
	c) Employee benefits expenses	3.12	35.44	47.77	171.09
	d) Finance costs	0.02	0.84	5.51	13.19
	e) Depreciation and amortisation expenses	41.95	43.74	44.67	177.72
	f) Power & Fuel	7.66	14.85	24.70	82.06
	g) Other expenses	16.98	44.91	20.16	100.66
	<b>Total expenses</b>	<b>69.73</b>	<b>140.23</b>	<b>171.08</b>	<b>656.78</b>
5	Profit/(loss) before exceptional and tax	(69.73)	(108.89)	(68.02)	(317.55)
6	Exceptional items (net credit/charge)	-	-	-	-
7	<b>Profit/(loss) before tax</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(317.55)</b>
8	Tax expenses	-	-	-	-
	a. Current Tax	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-
	c. Income tax for earlier years	-	-	-	-
	d. Mat credit Entitlement	-	-	-	-
9	<b>Profit/(loss) for the period from continuing operations</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(317.55)</b>
10	Profit/(loss) from discontinued operations before tax	-	-	-	-
11	Tax expenses of discontinued operation	-	-	-	-
12	<b>Profit/(loss) from discontinued operations after Tax</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(317.55)</b>
13	<b>Profit/(loss) for the period</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(317.55)</b>
14	Other comprehensive income for the period (net of tax)	-	-	-	-
15	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(317.55)</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
17	Reserves Excluding Revaluation reserves	-	-	-	(2,229.26)
18	a) Earnings per share	(0.22)	(0.34)	(0.21)	(0.99)
	Basic	(0.22)	(0.34)	(0.21)	(0.99)
	Diluted	-	-	-	-

- 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.
  - 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 14th September 2020.
  - 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 Term Loan Liabilities of the Company due to M/s. Allahabad Bank, Tirupur and M/s. Andhra Bank, Coimbatore was acquired by M/s. RARE Asset Reconstruction Private Limited (ARC), Ahmedabad - 380009 as of March 31, 2017 along with all the rights, titles and interest in the financial documents, all agreements, deeds and documents related thereto and all primary & collateral and underlying security interest and/or pledges created to secured and/or guarantees issued in respect of the repayment of loans without disclosing the purchase consideration payable by the ARC to the Banks. In accordance with the said arrangement, the Company has been in continued discussion with ARC for crystallisation of the principal amount payable as on the date of the Balance Sheet for the period ended June 30, 2020 along with the interest payable, and hence, the interest on the same has not been provided in these financial statements since March 31, 2017.



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CIN: L55101TZ1990PLC002653

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- 5) 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.
- 6) 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 regularise the Statutory Dues as and when the sales of assets of companies are completed.
- 7) 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.
- 8) Confirmation of balances have not obtained from Sundry Debtors and Sundry Creditors and accordingly the respective figures have been stated at book values.
- 9) The status of pending litigations filed by Bankers / Creditors / Tenant / Statutory Authorities against the company remains status quo as reported in previous quarter and year ended 31 March 2020. No additional litigations have been brought to the Company's notice.
- 10) No Provision for Gratuity /Leave encashment has been considered during the period due to excess provision available in financial statement.
- 11) 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 June 2020.
- 12) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 14.09.2020  
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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Unaudited Segment-wise Revenue, Result and capital employed for the Quarter ended 30th June 2020

S no	Particulars	Quarter ended			Year-Ended
		30.06.2020	31.03.2020	30.06.2019	31.03.2020
		Unaudited	Audited	Unaudited	Audited
1	<b>Segment Revenue</b>				
	(Net sales/income)				
	a) Hotel	-	27.31	100.82	328.59
	b) Shopping Arcade	-	-	-	-
	a) Hotel	-	27.31	84.01	130.95
	Less : Intersegment Revenue		-	-	-
	<b>Net sales/income from operations</b>	-	27.31	84.01	130.95
2	<b>Segment results</b>				
	(profit/loss before interest & tax)				
	a) Hotel	(38.17)	(75.88)	(34.74)	(33.69)
	b) Shopping Arcade	(31.54)	(32.17)	(27.77)	(27.62)
	<b>Total</b>	<b>(69.71)</b>	<b>(108.05)</b>	<b>(62.51)</b>	<b>(61.31)</b>
	Less: i) Interest	(0.02)	(0.84)	(5.51)	(5.98)
	ii) Other unallocable expenditure not off	-	-	-	-
	iii) Un-allocable income	-	-	-	-
	<b>Total profit/(Loss) Before tax</b>	<b>(69.73)</b>	<b>(108.89)</b>	<b>(68.02)</b>	<b>(67.29)</b>
3	<b>Capital Employed</b>				
	(segment assets-segment liabilities)				
	<b>Segment Assets</b>				
	a) Hotel	6,149.19	6,311.15	6,516.35	6,311.15
	b) Shopping Arcade	4,566.05	4,591.38	4,668.38	4,591.38
	c) Unallocated	6,479.92	6,479.92	6,479.92	6,479.92
	<b>Total Segment Assets</b>	<b>17,195.16</b>	<b>17,382.45</b>	<b>17,664.66</b>	<b>17,382.45</b>
	<b>Segment Liabilities</b>				
	a) Hotel	12,681.81	12,656.36	12,689.03	12,656.36
	b) Shopping Arcade	2,730.01	2,730.01	2,730.01	2,730.01
	c) Unallocated	437.58	437.58	437.58	437.58
	<b>Total</b>	<b>15,849.40</b>	<b>15,823.95</b>	<b>15,856.62</b>	<b>15,823.95</b>

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: 14.09.2020  
Place: Tirupur

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

For VELAN HOTELS LIMITED

M. Srinivasan  
Company Secretary