

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/Half Year ended 30th September 2020

SLNO	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	-	116.45	-	217.27	328.59
2	Other income	-	-	1.49	-	3.73	10.64
3	Total income	-	-	117.94	-	221.00	339.23
4	Expenses						
	a) Cost of materials consumed	-	-	26.91	-	55.18	112.12
	b) Purchases of Stock-in-trade progress	-	-	-	-	-	-
	c) Employee benefits expenses	4.36	3.12	44.99	7.48	92.76	171.03
	d) Finance costs	-	0.02	5.36	0.02	10.86	13.19
	e) Depreciation and amortisation expenses	41.94	41.95	44.67	83.89	89.35	177.72
	f) Power & Fuel	5.98	7.66	23.62	13.64	48.32	82.06
	g) Other expenses	10.52	16.98	13.93	27.50	34.09	100.88
	Total expenses	62.80	69.73	159.48	132.53	330.56	656.78
5	Profit/(loss) before exceptional and tax	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
6	Exceptional items (net credit/charge)	-	-	-	-	-	-
7	Profit/(loss) before tax	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
8	Tax expenses						
	a. Current Tax	-	-	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-	-	-
	c. Income tax for earlier years	-	-	-	-	-	-
	d. Mit credit Entitlement	-	-	-	-	-	-
9	Profit/(loss) for the period from continuing operations	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
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	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-	-
15	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
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	-	-	-	-	-	(2,229.38)
18	a) Earnings per share						
	Basic	(0.20)	(0.22)	(0.13)	(0.41)	(0.34)	(0.99)
	Diluted	(0.20)	(0.22)	(0.13)	(0.41)	(0.34)	(0.99)

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 12th November 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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- 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) The Company is considering for entering into a Memorandum of Understanding (MoU) with a potential buyer for the sale of Company's Shopping Mall and part of Multiplex properties with the consent of M/s.RARE Asset Reconstruction Limited with a view to settle a part of the outstanding debt with them. The adjustments, if any, on the sale shall be recorded on the completion of the transaction.
- 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 regularise the Statutory Dues as and when the sales of assets of companies are completed.
- 8) 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.
- 9) Confirmation of balances have not obtained from Sundry Debtors and Sundry Creditors and accordingly the respective figures have been stated at book values.
- 10) 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.
- 11) No Provision for Gratuity /Leave encashment has been considered during the period due to excess provision available in financial statement.
- 12) 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 2020.
- 13) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 12.11.2020
Place: Tirupur

For and on behalf of the Board
Sd.E.V.Muthukumars 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/Half Year ended 30th September 2020

S no	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2020	30.06.2020	30.09.2019	30.09.2020	30.09.2019	31.03.2020
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Segment Revenue (Net sales/income)						
	a) Hotel	-	-	116.45	-	217.27	328.59
	b) Shopping Arcade	-	-	-	-	-	-
	Total	-	-	116.45	-	217.27	328.59
	Less : Intersegment Revenue	-	-	-	-	-	-
	Net sales/income from operations	-	-	116.45	-	217.27	328.59
2	Segment results (profit/loss before interest & tax)						
	a) Hotel	(34.21)	(38.17)	(9.03)	(72.38)	(43.77)	(189.48)
	b) Shopping Arcade	(28.59)	(31.54)	(27.15)	(60.13)	(54.93)	(114.88)
	Total	(62.80)	(69.71)	(36.18)	(132.51)	(98.70)	(304.36)
	Less: i) Interest	-	(0.02)	(5.36)	(0.02)	(10.86)	(53.19)
	ii) Other unallocable expenditure net off	-	-	-	-	-	-
	iii) Un-allocable income	-	-	-	-	-	-
	Total profit/(Loss) Before tax	(62.80)	(69.73)	(41.54)	(132.53)	(109.56)	(317.55)
3	Capital Employed (segment assets-segment liabilities)						
	Segment Assets						
	a) Hotel	6,132.58	6,349.19	6,484.21	6,132.58	6,484.21	6,311.13
	b) Shopping Arcade	4,540.71	4,566.05	4,642.72	4,540.71	4,642.72	4,591.38
	c) Unallocated	6,479.92	6,479.92	6,479.92	6,479.92	6,479.92	6,479.92
	Total Segment Assets	17,153.21	17,395.16	17,606.85	17,153.21	17,606.85	17,382.43
	Segment Liabilities						
	a) Hotel	12,696.43	12,681.81	12,734.58	12,696.43	12,734.58	12,656.30
	b) Shopping Arcade	2,730.01	2,730.01	2,668.20	2,730.01	2,668.20	2,730.01
	c) Unallocated	437.58	437.58	437.58	437.58	437.58	437.58
	Total	15,864.02	15,849.40	15,840.36	15,864.02	15,840.36	15,823.95

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: 12.11.2020

Place: Tirupur

Sd.E.V.Muthukumara Ramalingam



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Unaudited Statement of Assets and Liabilities as at 30.09.2020

Particulars	Half Year Ended 30.09.2020 (Unaudited)	Year Ended 31.03.2020 (Audited)
A. ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	10,673.29	10,757.19
Capital work-in-progress	6,479.92	6,479.92
NON-CURRENT FINANCIAL ASSETS		
Trade receivables, non current	0.14	0.41
Loans	120.04	123.59
Sub total- Non-current Assets	17,273.39	17,361.11
CURRENT ASSETS		
Inventories	5.54	5.54
Current Financial asset		
Trade receivables, current	-	0.07
Cash and Cash equivalents	0.57	0.65
Loans-current	10.47	15.08
Sub Total - Current Assets	16.58	21.34
Total assets	17,289.97	17,382.45
B. EQUITY AND LIABILITIES		
Equity		
Equity Share capital	3,196.41	3,196.41
Other equity - Reserves & Surplus	(1,770.45)	(1,637.92)
Total equity	1,425.96	1,558.49
LIABILITIES		
Non-current liabilities		
Deferred Tax liabilities (net)	437.58	437.58
Employee Benefit Obligations	62.60	62.60
Tax Liabilities (Net)	-	-
Non-current Financial liabilities		
Borrowings-non-current	13,658.08	13,639.48
Trade payable-Non current	665.99	665.20
Other non-current financial liabilities	168.17	136.06
Other non-current liabilities	785.92	785.92
Sub Total Non-current Liabilities	15,778.34	15,726.84
Current liabilities		
Current financial liabilities		
Borrowings-current		
Trade payable-current	14.46	14.46
Other current financial liabilities	71.21	82.66
Sub Total Current Liabilities	85.67	97.12
Total liabilities	15,864.01	15,823.96
Total Equity and Liabilities	17,289.97	17,382.45



Statement of Unaudited Cash flow statement for the Half year ended 30 September 2020

Particulars	For the Half year ended 30.09.2020 (Unaudited)		For the year ended 31.03.2020 (Audited)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(132.53)		(317.55)
Adjustments for:				
Depreciation and amortisation	83.89		177.72	
Finance costs	0.02		13.19	
Interest income	-		(0.86)	
Net (gain)/loss on sale of Fixed Assets	-		(2.11)	
Liabilities / provisions no longer required written back	-	83.91	(2.73)	185.21
Operating profit / (loss) before working capital changes		(48.62)		(132.33)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Inventories	-		62.19	
Trade receivables	0.33		14.30	
Short-term loans and advances	6.59		0.09	
Long-term loans and advances	3.55		9.72	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	0.79		(5.04)	
Other Financial liabilities	20.67		26.09	
Employees Benefit Obligation	-		18.02	
Cash flow from extraordinary items		31.94		125.36
Cash generated from operations		(16.68)		(6.98)
Net income tax (paid) / refunds		(1.98)		(1.98)
Net cash flow from / (used in) operating activities (A)		(18.66)		(8.95)
B. Cash flow from investing activities				
Capital expenditure on fixed assets, including capital advances	-		(0.29)	
Proceeds from Sale of Fixed Assets	-		46.81	
Net cash flow from / (used in) investing activities (B)				46.52
C. Cash flow from financing activities				
Proceed from long-term borrowings	18.60		39.49	
Proceeds/(Repayment) from Short-Term borrowings	-		(101.22)	
Repayment of Long Term Borrowings	-		-	
Interest received	-		0.86	
Dividend Paid	-		-	
Finance cost	(0.02)		(13.19)	
Net cash flow from / (used in) financing activities (C)		18.58		(74.06)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		(0.07)		(36.49)
Cash and cash equivalents at the beginning of the year		0.65		37.14
Cash and cash equivalents at the end of the year		0.57		0.65