

Statement of Standalone Audited Financial Results for the quarter and Year ended 31st March 2019

SL.NO	Particulars	Quarter Ended			Year Ended	
		Audited	Unaudited	Audited	Audited	
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
1	Net Sales (net of duties)/Income from operations					
2	Other income	130.95	138.40	198.24	634.92	857.12
3	Total income	2.52	2.28	(2.58)	9.14	13.75
4	Expenses	133.47	140.68	195.66	644.06	870.87
	a) Cost of materials consumed					
	b) purchases of Stock-in-trade progress	23.42	25.98	37.02	117.55	175.80
	c) Employee benefits expenses	-	-	-	-	-
	d) Finance costs	62.62	58.72	49.93	238.10	242.16
	e) Depreciation and amortisation expenses	5.98	6.50	5.13	23.28	24.29
	f) power & fuel	45.01	45.02	44.37	180.07	184.69
	f) other expenses	27.59	34.97	40.92	150.88	177.88
	Total expenses	36.14	25.97	50.74	156.99	238.11
5	Profit/(loss) before exceptional and tax	200.76	197.16	228.11	866.87	1,042.93
6	Exceptional items (net credit/charge)	(67.29)	(56.49)	(32.45)	(222.81)	(172.06)
7	Profit/(loss) before tax	(67.29)	(56.49)	(32.45)	(222.81)	(172.06)
8	Tax expenses					
	a. Current Tax	-	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-	-
	c. Income tax for earlier years	-	-	(12.34)	-	(75.47)
	d. Mat credit Entitlement	-	-	-	-	-
9	Profit/(loss) for the period from continuing operations	(67.29)	(56.49)	(44.79)	(222.81)	(247.53)
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	(67.29)	(56.49)	(44.79)	(222.81)	(247.53)
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-
15	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(67.29)	(56.49)	(44.79)	(222.81)	(247.53)
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
17	Reserves Excluding Revaluation reserves				(1,918.50)	(1,702.48)
18	a) Earnings per share					
	Basic	(0.21)	(0.18)	(0.14)	(0.70)	(0.77)
	Diluted	(0.21)	(0.18)	(0.14)	(0.70)	(0.77)

Notes:

- 1) 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.
- 2) 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 30.05.2019.
- 3) Subsequent to the takeover of Term Loan liabilities due to M/s. Allahabad Bank, Tirupur and M/s. Andhra Bank, Coimbatore by M/s. RARE Asset Reconstruction Limited (ARC), Ahmedabad - 380009. The company has been in constant negotiation with the said ARC for a One Time Settlement (OTS) offer for the said dues. The ARC had, vide their letter dated March 18, 2019, accepted the said offer amounting to Rs.97.50 Crore together with Interest at Coupon rate at 6.5% p.a. on outstanding amount. There were delay in adhering to the agreed OTS Offer. The company is in the process of Re.Negotiation with ARC for revised Conditions to meet the commitments as per the original OTS offer. Pending Conclusion of the negotiations, the interest accrued and due on such borrowings taken over by the ARC from banks have not been considered in the above results.
- 4) Effective 1 April 2018, the Company has adopted "IndAS-115". This standard is not having any material impact to the financial statement of the company.



- 5) The figures in respect of the results for the Quarter ended on March 31, 2019 and March 31,2018 are the balancing figures between the audited financials in respect of full financial year and the unaudited publised year-to-date numbers upto the third quarter of the respective financial year.
- 6) The Valuation of the assets tied to the borrowings taken over by M/s. RARE Asset Reconstruction Ltd (ARC), Ahmedabad-380009, have not been carried out due to pending re-negotiations. Hence the Impairment of such assets, if any, have been deferred.
- 7) The Company does not have any extraordinary item to report for the above periods.
- 8) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 30-05-2019

Place: Tirupur

For and on behalf of the Board

Sd.E.V.Muthukumara Ramalingam

Managing Director.

For VELAN HOTELS LIMITED

M. Srinivasan
Company Secretary

Velan Hotels Limited
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CIN: L55101TZ1990PLC002653

Segment-wise Revenue, Result and capital employed for the Quarter and Year ended 31st March 2019.

(Rs. In Lakhs)

S no	Particulars	Quarter ended			Year Ended	
		Audited	Unaudited	Audited	Audited	Audited
		31.03.2019	31.12.2018	31.03.2018	31.03.2019	31.03.2018
1	Segment Revenue (Net sales/Income)					
	a) Hotel	130.95	138.40	198.24	634.92	857.12
	b) Shopping Arcade	-	-	-	-	-
	Total	130.95	138.40	198.24	634.92	857.12
	Less : Intersegment Revenue	-	-	-	-	-
	Netsales/income from operations	130.95	138.40	198.24	634.92	857.12
2	Segment results (profit/loss before interest & tax)					
	a) Hotel	(33.69)	(25.03)	2.87	(85.22)	(30.19)
	b) Shopping Arcade	(27.62)	(27.24)	(30.19)	(114.31)	(117.58)
	Total	(61.31)	(52.27)	(27.32)	(199.53)	(147.77)
	Less: i) interest	(5.98)	(6.50)	(5.13)	(23.28)	(24.29)
	ii) Other unallocable expenditure net off	-	-	-	-	-
	iii) Un-allocable income	-	2.28	-	-	-
	Total profit/(Loss) Before tax	(67.29)	(56.49)	(32.45)	(222.81)	(172.06)
3	Capital Employed (segment assets-segment liabilities)					
	Segment Assets					
	a) Hotel	6,419.58	6,559.79	6,633.08	6,419.58	6,633.08
	b) Shopping Arcade	4,694.06	4,719.73	4,796.74	4,694.06	4,796.74
	c) Unallocated	6,479.92	6,479.92	6,479.92	6,479.92	6,479.92
	Total Segment Assets	17,593.56	17,759.45	17,909.74	17,593.56	17,909.74
	Segment Liabilities					
	a) Hotel	12,670.64	12,637.41	12,632.18	12,670.64	12,632.18
	b) Shopping Arcade	2,741.12	2,741.12	2,741.12	2,741.12	2,741.12
	c) Unallocated	437.58	437.58	437.58	437.58	437.58
	Total	15,849.34	15,816.11	15,810.89	15,849.34	15,810.89

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: 30-05-2019

Place: Tirupur

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

For VELAN HOTELS LIMITED

M. Srivastava
Company Secretary

Statement of Assets and Liabilities as at 31.03.2019

Rs. In lakhs

Particulars	As at 31 March 2019	As at 31 March 2018
A. ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	10,979.32	11,158.39
Capital work-in-progress	6,479.92	6,479.92
NON-CURRENT FINANCIAL ASSETS		
Trade receivables, non current	1.01	0.26
Loans	133.31	118.89
Sub total- Non-current Assets	17,593.56	17,757.47
CURRENT ASSETS		
Inventories	67.73	73.88
Current Financial asset		
Trade receivables, current	13.76	11.03
Cash and Cash equivalents	37.14	39.77
Loans-current	13.20	27.59
Sub Total - Current Assets	131.82	152.26
Total assets	17,725.39	17,909.74
B. EQUITY AND LIABILITIES		
Equity		
Equity Share capital	3,196.41	3,196.41
Other equity - Reserves & Surplus	(1,320.37)	(1,097.56)
Total equity	1,876.04	2,098.85
LIABILITIES		
Non-current liabilities		
Deferred Tax liabilities (net)	437.58	437.58
Employee Benefit Obligations	47.31	45.12
Tax Liabilities (Net)	-	-
Non-current Financial liabilities		
Borrowings-non-current	13,599.99	13,580.73
Trade payable-Non current	596.55	619.89
Other non -current financial liabilities	77.41	50.87
Other non-current liabilities	785.91	785.92
Sub Total Non-current Liabilities	15,544.75	15,520.11
Current liabilities		
Current financial liabilities		
Borrowings-current	101.22	101.17
Trade payable-current	88.16	73.89
Other current financial liabilities	115.22	115.72
Sub Total Current Liabilities	304.60	290.78
Total liabilities	15,849.35	15,810.89
Total Equity and Liabilities	17,725.39	17,909.74



INDEPENDENT AUDITOR'S REPORT

To the Members of Velan Hotels Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Velan Hotels Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, and the statement of Profit and Loss, Statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note No. 35 of the attached Financial Statements for the year ended 31st March 2019. The Company's borrowings was taken over by M/s. RARE Asset Reconstruction Company Limited ("ARC") commencing from April 1, 2017 and as of the year ended March 31, 2019 a final settlement amount of Rs. 97.50 Crores was agreed between the Company and the ARC by way of a 'One-time Settlement' ("OTS") offer with certain conditions and milestones for the said repayment. There were delays in adhering to the agreed milestones and the Company is in the process of re-negotiation with the ARC for revised conditions to meet the commitments as per the original OTS offer. As informed by the management, the Company is taking necessary steps to meet the debt obligations as per the OTS and revised terms, if any, arising out of such re-negotiations. Accordingly no adjustments have been made in these financial statements for the revision of the outstanding debt which is under negotiation. Pending conclusion of the negotiations, as represented by the management, these financial statements have been prepared on a going concern basis as the extinguishment of the debt can be made from the sale of such of those assets linked to the debt which does not have a bearing on the revenue-generating assets of the Company. Any shortfall arising out of such sale will be dealt with on realisation basis, which in the opinion of the management, shall not have a bearing on the going concern assumption. In view of the above, our opinion is not modified.



Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable. As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



- e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 36 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.



Place: Tirupur
Dated: May 30, 2019

For **Krishaan & Co.**,
Chartered Accountants
Firm Reg. No. 001453S

K Sundarrajan
Partner

Membership No. 208431

Annexure – A to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2019, we report that:

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii) (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material, which have been properly dealt with in the books of account.
- iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms, LLPs or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Consequently, the provisions of clauses iii (a), iii (b) and iii (c) of the order are not applicable to the Company.
- iv) The Company has not granted any loans, made investments, issued guarantees or provided any security to any Director or any other person as specified in the Act and hence this clause is not applicable to the Company for this year.
- v) The Company has not accepted any deposits from the public covered under section 73 to 76 of the Companies Act, 2013.
- vi) As per information and explanation given by the management, The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act.
- vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, valued added taxes/GST, sales tax, wealth tax, excise duty, service tax, duty of customs, value added tax, cess and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, excise duty, duty of customs, value added tax/GST, cess and other material statutory dues



were in arrears as at 31 March 2019 for a period of more than six months from the date they became payable, except service tax dues, amounting to Rs. 50.51 lakhs upto June 30, 2017 and Goods and Services Tax dues from August 2018 amounting to Rs. 40.63 lakhs which have not been deposited till date.

- b) According to the information and explanations given to us and also based on the Management representation, there are no disputed statutory dues that have not been deposited as at the year-end other than:

Statute	Nature of Dues	Amount involved [Rs.]	Period to which the Amount relates	Forum where the dispute is pending
Employees Provident Fund and Miscellaneous Provisions Act, 1952	Damages on delayed payment Employees Provident Fund	5.99 Lakhs	2015-16, 2016-17 and 2017-18	Labour Court, Chennai
Income Tax Act, 1961	Income Tax (*)	2.15 Lakhs	AY 2010-11	Assessing Officer
Income Tax Act, 1961	Income Tax(*)	2.73 Lakhs	AY 2011-12	Assessing Officer
Income Tax Act, 1961	Income Tax(*)	0.03 Lakhs	AY 2012-13	Assessing Officer

(*) – response filed on Income Tax Portal, pending rectification

- viii) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders during the year however the Company could not meet the repayment obligations as per the One-time Settlement Offer received from the Asset Reconstruction Company (ARC) for the dues to the ARC vide Note No. 35 to these financial statements.
- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and no term loans have been raised during the year.
- x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.



xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.



For **Krishaan & Co.,**
Chartered Accountants
Firm Reg. No. 001453S

K. Sundarrajan

K Sundarrajan
Partner
Membership No. 208431

Place: Tirupur
Dated: May 30, 2019

ANNEXURE - B TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of VELAN HOTELS LIMITED ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Tirupur
Dated: May 30, 2019



For **Krishaan & Co.,**
Chartered Accountants
Firm Reg. No. 001453S

K Sundarrajan
Partner
Membership No. 208431



Hotels

VELAN HOTELS LIMITED

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GSTIN : 33AAACV8449H3Z3

CIN : L55101TZ1990PLC002653

May 30, 2019

BSE Limited
Corporate Relationship Dept
Floor No.25, P.J.Towers
Dalal Street
Mumbai 400 001

Sub : Declaration of unmodified opinion – Reg

Dear Sir

In compliance to Regulation 33(3)(d) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended by the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2016 and SEBI Circular No.CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare that M/s.Krishaan & Co, Chartered Accountants, Statutory Auditors of our Company, have issued an Audit Report with unmodified opinion on Audited Financial Results of the Company for the quarter and year ended March 31, 2019.

Thanking you

Yours truly
For VELAN HOTELS LTD

MANAGING DIRECTOR