



August 12, 2022

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

**VELAN HOTELS LIMITED**

41, Kangayam Road, TIRUPUR - 641 604.

Phone : 0091 - 421 - 43 11 111

E-mail : [info@velanhotels.com](mailto:info@velanhotels.com)

Web : [www.velanhotels.com](http://www.velanhotels.com)

GSTIN : 33AAACV8449H3Z3

CIN : L55101TZ1990PLC002653

Dear Sir

**Sub : Outcome of Board Meeting - Intimation of Un-Audited financial results (standalone) of the Company for the quarter ended 30<sup>th</sup> June 2022 – Reg.**

This is to inform that the Board of Directors of the Company at their meeting held today transacted, among other things, the following business:

1. Approved the Statement of Un-Audited financial results of the Company for the quarter ended 30<sup>th</sup> June, 2022 & took on record of the Limited Review Report for the quarter ended 30<sup>th</sup> June, 2022 issued by M/s.Krishaan & Co., Statutory Auditor of the Company.
2. 32<sup>nd</sup> Annual General Meeting will be held on Thursday, 29<sup>th</sup> September, 2022 commencing from 11.45 a.m. through Video Conferencing (VC) or Other Audio Visual Means ("OAVM") to transact the businesses as set out in the Notice of AGM dated 12<sup>th</sup> August, 2022. The soft copy of the Notice of the 32<sup>nd</sup> AGM along with Annual Report containing Directors' Report, Auditors' Report and the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 will be sent in electronic mode to those members who have registered their email addresses with the Company or with their Depository Participants within the time prescribed under the Act read with Rules there-under and SEBI listing regulations. No physical of the same will be sent.
3. Pursuant to Section 91 of the Companies Act 2013 and Regulation 42 of the Listing Regulation, the Register of Members and Share Transfer Book of the Company shall remain closed from Friday, September 23, 2022 to Thursday, September 29, 2022 (both days inclusive) for the purpose of the 32<sup>nd</sup> Annual General Meeting of the Company.



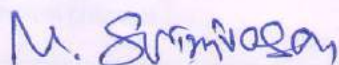
4. The Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL. The remote e-voting period begins on Monday, September 26, 2022 @ 9.00 a.m. and ends on Wednesday, September 28, 2022 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form as on cut-off date i.e. Thursday, September 22, 2022 may cast their vote electronically. Instructions of shareholders for remote e-voting and attending the AGM through VC / OAVM & e-voting during the meeting have been furnished in the Notice of 32<sup>nd</sup> AGM dated 12/08/2022.
5. With recommendation of Audit Committee, the Board recommended to the Shareholders of the Company for approval of re-appointment of M/s.Krishaan & Co, Statutory Auditors of the Company for another term of five years.
6. With recommendation of Nomination & Remuneration Committee, the Board re-appointed Mr.M.R.Gautham as Executive Director of the Company for another term of three years.

The above results were taken on record by the Board of Directors of the Company at their meeting held today. The meeting of the Board of Directors commenced at 10:00 a.m. and concluded at 9.30 p.m.

Kindly acknowledge receipt

Thanking you

Yours truly  
For VELAN HOTELS LTD



M.SRINIVASAN  
COMPANY SECRETARY



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 Ended 30 June 2022** -

Sl. No	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	-	-	-
2	Other income	1.60	-	-	-
3	<b>Total Income</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>-</b>
4					
	a) Cost of materials consumed	-	-	-	-
	b) Purchases of Stock-in-trade progress	-	-	-	-
	c) Employee benefits expenses	4.25	3.15	4.05	13.86
	d) Finance costs	0.60	0.03	0.02	0.06
	e) Depreciation and amortisation expenses	39.34	49.45	25.34	123.68
	f) Power & Fuel	0.66	-	0.25	0.38
	f) Other expenses	7.07	7.42	5.17	135.31
	<b>Total expenses</b>	<b>51.91</b>	<b>60.05</b>	<b>34.83</b>	<b>273.29</b>
5	Profit/(loss) before exceptional and tax	(50.31)	(60.05)	(34.83)	(273.29)
6	Exceptional Items (net credit/charge)	(175.38)	-	-	1,211.02
7	<b>Profit/(loss) before tax</b>	<b>(225.69)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
8	Tax expenses				
	a. Current Tax	-	-	-	-
	b. Deferred tax credit/(charge)	-	-	-	-
	c. Income tax for earlier years	3.73	-	-	-
	d. Mat credit Entitlement	-	-	-	-
9	<b>Profit/(loss) for the period from continuing operations</b>	<b>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</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>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
14	Other comprehensive income for the period (net of tax)	-	-	-	-
15	<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>(229.42)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</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				(1,270.83)
18	a) Earnings per share				
	Basic	(0.72)	(0.19)	(0.11)	2.93
	Diluted	(0.72)	(0.19)	(0.11)	2.93
<b>Notes:</b>					
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 12 August 2022.				
3)	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				
4)	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.				





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 Ended 30 June 2022

5) The Company's account was categorized as NPA by Allahabad Bank and Andhara 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 also final approval has been received.

As per terms of in-principle approval, the company has already paid Rs.30 crores on 30th March, 2021 from the proceeds of sale of Shopping Mall and part of Multiplex properties and paid Rs.10 crore from the proceeds of sale of Hotel at Coonoor and Rs.2.68 crore from the advances received for sale of power plant during the previous year.

6) During this Quarter, the Company has sold part of vacant land ad measuring 5168.88 sq.mtr to M/s. ESSA Garments Private Limited for a total consideration of Rs.7,30,25,000 and loss of Rs.1,75,38,426/- has been recognised under Exceptional Item in this financial statement. Out of total Consideration the company has paid Rs.5,00,00,000 to M/s.Rare Asset Reconstruction Limited (ARC).

7) During this quarter, the Managing director of the company has infused sum of Rs. 11.30 Crore as unsecured loan to meet the repayment obligation to M/s.Rare Asset Reconstruction Limited (ARC) vide Note 5 above.

8) 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.

During this quarter, the company has paid dues relating to Provident Fund, Sales Tax and Tax Deducted at sources for Earlier Years amounting to Rs.19.85 Lacs. The Company is taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.

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 for Loans and Advances 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 being no eligible employees during the period 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 Quarter ended 30th June 2022.

14) Previous period/year figures have been regrouped and/or reclassified,wherever necessary.

Date: 12.08.2022  
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					
41 Kangayam Road, Tirupur- 641 604. Ph :++91-421-4311111, 2424444					
Fax :++91-421 - 2424434 Email:accounts@velanhotels.com					
CIN: L55101TZ1990PLC002653					
Segment-wise Revenue, Result and capital employed for the Quarter ended 30th June 2022					
S no	Particulars	Quarter Ended			Year Ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
		Unaudited	Audited	Unaudited	Audited
1	<b>Segment Revenue</b>				
	(Net sales/Income)				
	a) Guest Accommodation and other	-	-	-	-
	b) Food Beverages	-	-	-	-
	<b>Total</b>	-	-	-	-
	Less : Intersegment Revenue		-	-	-
	<b>Net sales/income from operations</b>	-	-	-	-
2	<b>Segment results</b>				
	(profit/loss before interest & tax)				
	a) Guest Accommodation and other	(35.98)	(41.48)	(24.62)	(168.47)
	b) Food Beverages	(15.34)	(18.55)	(10.19)	(104.76)
	<b>Total</b>	<b>(51.31)</b>	<b>(60.02)</b>	<b>(34.81)</b>	<b>(273.23)</b>
	Less: i) interest	(0.60)	(0.03)	(0.02)	(0.06)
	ii) Other unallocable expenditure net off	(175.38)	-	-	1,211.02
	iii) Un-allocable income	1.60	-	-	-
	<b>Total profit/(Loss) Before tax</b>	<b>(225.69)</b>	<b>(60.05)</b>	<b>(34.83)</b>	<b>937.73</b>
3	<b>Capital Employed</b>				
	(segment assets-segment liabilities)				
	<b>Segment Assets</b>				
	a) Guest Accommodation and other	4,829.70	5,655.99	3,877.21	5,655.99
	b) Food Beverages	3,398.34	4,035.64	6,939.09	4,035.64
	c) Unallocated	-	-	-	-
	<b>Total Segment Assets</b>	<b>8,228.04</b>	<b>9,691.63</b>	<b>10,816.30</b>	<b>9,691.63</b>
	<b>Segment Liabilities</b>				
	a) Guest Accommodation and other	3,872.77	4,648.80	5,933.31	4,648.80
	b) Food Beverages	1,766.38	2,224.53	3,037.23	2,224.53
	c) Unallocated	314.96	314.96	314.96	314.96
	<b>Total</b>	<b>5,954.11</b>	<b>7,188.28</b>	<b>9,285.50</b>	<b>7,188.28</b>
Notes on Segment reporting:					
1. As per Ind AS 108 - Operating Segments, the Company has identified Guest Accommodation and Food and Beverage as reportable segment for the period under review.					
2. Figures have been regrouped and reclassified wherever necessary					
Date: 12.08.2022					
Place: Tirupur					
Sd.E.V.Muthukumara Ramalingam					

For VELAN HOTELS LIMITED

*M. Sarinagam*  
Company Secretary

# Krishaan & Co.,

Chartered Accountants

## Independent Auditors' Review Report on the Standalone Quarterly Financial Results of Velan Hotels Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015

### To The Board of Directors of Velan Hotels Limited

1. We have reviewed the accompanying Statement of unaudited Financial Results of **VELAN HOTELS LIMITED** ("The Company"), for the Quarter ended 30<sup>th</sup> June 2022 attached herewith, being submitted by the Company pursuant to Regulation 33 of the SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on this financial statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provided less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. *We draw attention to Note No. 4 of the attached Statement of Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2022. The company had suspended all operations w.e.f. March 24, 2020 and consequently, the ability of the Company to repay its debts depends on the quantum of realisation from the sale of Assets. Considering the above, the ability of the Company to continue as a Going Concern is impacted and the adjustments, if any, on account of such sale is not ascertainable at this juncture.*
5. We draw attention to Note No. 5 of the attached Statement of Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2022. The test for impairment of the assets tied to the borrowings with M/s. RARE Asset Reconstruction Company ("ARC") have not been carried out as on date of the report only a portion of the debt has been extinguished by sale of assets. With the balance debt still to be extinguished the test for impairment of fixed assets as at the period end has not been carried out.



HEAD OFFICE : C10, 6<sup>TH</sup> FLOOR, PARSN MANERE 442, ANNA SALAI, CHENNAI 600006

BRANCH : GROUND FLOOR, 'C', 8A, GD NAIDU ROAD, RACE COURSE. COIMBATORE 641018 +91-44-28272569 |  
ksr@krishaan.in

**Krishaan & Co.,**  
Chartered Accountants

---

6. Without qualifying our opinion, we draw attention to Note No. 8 of the attached Statement of Standalone Unaudited Financial Results for the quarter ended 30<sup>th</sup> June 2022. There has been significant delays in meeting the statutory obligations, including Service Tax, Goods and Services Tax and Value Added Taxes, which are due in excess of 6 months as on the date of this Report and the company has paid dues relating to Provident Fund, Sales Tax and Tax Deducted at sources for Earlier Years amounting to Rs.19.85 Lacs. The Company is taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.
7. Based on our review conducted subject to Notes 4, 5 and 6 above, the accompanying statement of unaudited financial results prepared in accordance with aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as modified by Circular No. CIR/CFD/FAC/62/2016 dated 5<sup>th</sup> July 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

*K. Sundarajan*

K Sundarrajan

Partner

Membership No. 208431

UDIN: 22208431AOXYVP5705



Date : 12<sup>th</sup> August 2022

Place: Tirupur

---

HEAD OFFICE : C10, 6<sup>TH</sup> FLOOR, PARSN MANERE 442, ANNA SALAI, CHENNAI 600006

BRANCH : GROUND FLOOR, 'C', 8A, GD NAIDU ROAD, RACE COURSE. COIMBATORE 641018 +91-44-28272569 |  
ksr@krishaan.in