



VELAN HOTELS LIMITED

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Email: accounts@velanhotels.com; Website: www.velanhotels.com

GSTIN : 33AAACV8449H3Z3 / CIN : L55101TZ1990PLC2653

November 10, 2023

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

Dear Sirs

Sub : Outcome of Board Meeting - Intimation of Un-Audited financial results (standalone) of the Company for the quarter and half year ended 30th September 2023 – Reg.

In accordance with the Regulation 33(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, we furnish herewith the following:

1. Statement of Un-Audited financial results of the Company for the quarter and half year ended 30th September, 2023
2. Limited Review Report for the quarter and half year ended 30th September, 2023 issued by M/s.Krishaan & Co., Statutory Auditor of the Company.

Besides, with the permission of the Chairman and Directors attended the Meeting, the Board has taken and accepted the resignation of Mr.Subramanyam Muralidharan, Independent Director.

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 10:15 a.m. and concluded at 5.25 p.m.

Kindly acknowledge receipt

Thanking you

Yours truly
For VELAN HOTELS LTD

M.SRINIVASAN
COMPANY SECRETARY

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2023

Sl. No	Particulars	Quarter Ended			Half Year Ended		Year Ended
		30.09.2023	30.06.2023	30.09.2022	30.09.2023	30.09.2022	31.03.2023
		Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
1	Net Sales (net of duties)/Income from operations	-	-	-	-	-	-
2	Other income	-	-	-	-	1.60	2.30
3	Total income	-	-	-	-	1.60	2.30
4							
a)	Cost of materials consumed	-	-	-	-	-	-
b)	Purchases of Stock-in-trade progress	-	-	-	-	-	-
c)	Employee benefits expenses	4.11	3.95	4.30	8.06	8.55	15.77
d)	Finance costs	0.02	0.01	0.05	0.03	0.65	0.65
e)	Depreciation and amortisation expenses	13.41	13.41	39.34	26.81	78.68	219.78
f)	Power & Fuel	-	0.06	-	0.06	0.66	0.66
f)	Other expenses	6.21	2.81	9.36	9.02	16.42	30.94
	Total expenses	23.75	20.24	53.05	43.99	104.96	267.80
5	Profit/(loss) before exceptional and tax	(23.75)	(20.24)	(53.05)	(43.99)	(103.36)	(265.50)
6	Exceptional items (net credit/charge)	-	-	-	-	(175.38)	(1,579.94)
7	Profit/(loss) before tax	(23.75)	(20.24)	(53.05)	(43.99)	(278.74)	(1,845.44)
8	Tax expenses						
a.	Current Tax	-	-	-	-	-	-
b.	Deferred tax credit/(charge)	-	-	-	-	-	-
c.	Income tax for earlier years	-	-	-	-	3.73	3.73
9	Profit/(loss) for the period from continuing operations	(23.75)	(20.24)	(53.05)	(43.99)	(282.47)	(1,849.17)
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	(23.75)	(20.24)	(53.05)	(43.99)	(282.47)	(1,849.17)
14	Other comprehensive income for the period (net of tax)	-	-	-	-	-	-
15	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD	(23.75)	(20.24)	(53.05)	(43.99)	(282.47)	(1,849.17)
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	(3,153.71)	(3,131.75)	(1,549.90)	(3,153.71)	(1,549.90)	(3,113.21)
18	a) Earnings per share						
	Basic	(0.08)	(0.06)	(0.17)	(0.14)	(0.88)	(5.79)
	Diluted	(0.08)	(0.06)	(0.17)	(0.14)	(0.88)	(5.79)

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 10 November 2023.
- 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.

For VELAN HOTELS LIMITED,

(E.V. Muthokumara Ramalingam)
Managing Director

Velan Hotels Limited, Tirupur.
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CIN: L55101TZ1990PLC002653

Statement of Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2023

- 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.
- In view of the above, the Company has remitted Rs.59.48 crores to ARC upto 31st March, 2023, from the disposal / sale of assets of company.
- 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 has already paid dues relating to Provident Fund, Sales Tax and Tax Deducted at sources for Earlier Years amounting to Rs.27.95 Lacs and also taking necessary steps to settle the balance Statutory Dues as and when the sale of assets are completed.
- 7) During this quarter, The Company has only one reportable business segment as it deals only in Operation and running of Hotels in terms of Ind AS 108 Operating Segment". Further, the Company operates only in one geographical segment -India. All the assets of the Company are located in India. The Company monitors the operating results as one single segment for the purpose of making decisions about resource allocation and performance assessment. Accordingly, there are no separate reportable segments as per IND-AS 108, "Operating Segment" prescribed under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.
- 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 for Loans and Advances and Sundry Creditors and accordingly the respective figures have been stated at book values.
- 10) The status of pending litigations filed by Bankers and Statutory Authorities against the company remains status quo as reported in previous quarters. Also during this period, the company has made an appeal against the order passed by the Commissioner of GST on Service tax dues amounting to Rs. 81 Lacs for dispute in tax computation and penalty charged for the same.
- 11) No Provision for Gratuity /Leave encashment has been considered during the year due to all the employees of the company except KMP have resigned and there being no eligible employees during the year.
- 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 Quarter/half-year ended 30 September 2023.
- 13) The figures of the quarter ended 30.09.2023 are the balancing figure between the unaudited figures in respect of the year-to-date ended 30 September 2023 and the published unaudited figures for the quarter ended 30.06.2023, which is subject to Limited Review.
- 14) Previous period/year figures have been regrouped and/or reclassified, wherever necessary.

Date: 10 November 2023
Place: Tirupur

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

For VELAN HOTELS LIMITED

(E.V. Muthukumara Ramalingam)
Managing Director

Statement of Assets and Liabilities as at 30.09.2023

Particulars	Half Year Ended 30.09.2023 (Unaudited)	Year Ended 31.03.2023 (Audited)
A. ASSETS		
NON-CURRENT ASSETS		
Property, plant and equipment	5,224.35	5,251.17
Capital work-in-progress	-	-
NON-CURRENT FINANCIAL ASSETS		
Trade receivables, non current	0.14	0.14
Loans	1,227.41	1,227.40
Sub total- Non-current Assets	6,451.90	6,478.71
CURRENT ASSETS		
Inventories	-	-
Current Financial asset		
Trade receivables, current	-	-
Cash and Cash equivalents	0.20	0.19
Loans-current	17.78	14.70
Sub Total - Current Assets	17.98	14.89
Total assets	6,469.88	6,493.60
B. EQUITY AND LIABILITIES		
Equity		
Equity Share capital	3,196.41	3,196.41
Other equity - Reserves & Surplus	(2,586.12)	(2,542.23)
Total equity	610.29	654.18
LIABILITIES		
Non-current liabilities		
Deferred Tax liabilities (net)	314.96	314.96
Employee Benefit Obligations	4.53	4.53
Tax Liabilities (Net)	-	-
Non-current Financial liabilities		
Borrowings-non-current	5,202.45	5,189.70
Trade payable-Non current	60.54	62.03
Other non-current financial liabilities	152.32	147.35
Other non-current liabilities	89.85	89.85
Sub Total Non-current Liabilities	5,824.65	5,808.42
Current liabilities		
Current financial liabilities		
Borrowings-current	-	-
Trade payable-current	-	-
Other current financial liabilities	34.94	31.00
Sub Total Current Liabilities	34.94	31.00
Total liabilities	5,859.59	5,839.42
Total Equity and Liabilities	6,469.88	6,493.60

For **VELAN HOTELS LIMITED**

(E.V. Muthukumara Manalingam)
 Managing Director

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Statement of Cash flow statement for the Year Ended 31 March 2024

Particulars	For the Half-year ended 30.09.2023 (Unaudited)		For the year ended 31.03.2023 (Audited)	
A. Cash flow from operating activities				
Net Profit / (Loss) before extraordinary items and tax		(43.99)		(265.50)
Adjustments for:				
Depreciation and amortisation	26.81		219.78	
Finance costs	0.03		0.65	
Interest income	-		(2.30)	
Exceptional Item	-		(1,579.94)	
Net (gain)/loss on sale of Fixed Assets	-		1,579.94	
Liabilities / provisions no longer required written back	-	26.85	-	218.14
Operating profit / (loss) before working capital changes		(17.15)		(47.37)
Changes in working capital:				
Adjustments for (increase) / decrease in operating assets:				
Short-term loans and advances	(3.09)		8.39	
Long-term loans and advances	(0.01)		307.76	
Adjustments for increase / (decrease) in operating liabilities:				
Trade payables	(1.38)		(93.26)	
Other Financial liabilities	8.92		(264.01)	
Other long-term liabilities	-		(120.63)	
Employees Benefit Obligation	-		-	
Cash flow from extraordinary items		4.44		(161.75)
Cash generated from operations		(12.71)		(209.11)
Net income tax (paid) / refunds		-		27.72
Net cash flow from / (used in) operating activities (A)		(12.71)		(181.40)
B. Cash flow from investing activities				
Proceeds from Sale of Fixed Assets		-	1,050.17	
Net cash flow from / (used in) investing activities (B)		-		1,050.17
C. Cash flow from financing activities				
Repayment of Long Term Borrowings	12.74		(870.97)	
Interest received	-		2.30	
Finance cost	(0.03)		(0.65)	
Net cash flow from / (used in) financing activities (C)		12.71		(869.33)
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		0.00		(0.56)
Cash and cash equivalents at the beginning of the year		0.19		0.75
Cash and cash equivalents at the end of the Period		0.19		0.19

For VELAN HOTELS LIMITED



(E.V. Muthukumara Ramalingam)
 Managing Director

Krishaan & Co.,

Chartered Accountants

Independent Auditors' Review Report on the Unaudited Standalone Quarterly and Year-To-Date Financial Results of M/s. Velan Hotels Limited pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations, 2015, As Amended

Review Report 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 30th September 2023 and year to date results for the period 1st April 2023 to 30th September 2023 ("the Statement") and being submitted by the Company pursuant to the requirements of Regulation 33 and 52 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, as amended (the "Listing Regulations").
2. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the company at their meeting held on 10th November 2023 and has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34") prescribed under Section 133 of the Companies Act 2013 and other Accounting Principles generally accepted in India and in compliance with Regulation 33 of Listing Regulations. Our responsibility is to issue a report on the 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 and half-year ended 30th September 2023. 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 30th June 2023. 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.



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 30th September 2023. 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 was 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 5th 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 Sundarrajan
Partner

Membership No. 208431

UDIN: 23208431BGVIAX2968

Date : 10th November 2023

Place: Tirupur



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