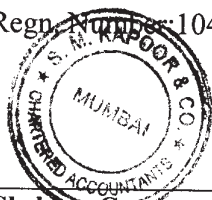


**FORM A**

**Covering letter of the annual audit report to be filed with the Stock Exchanges**

Sr. No.	PARTICULARS	DETAILS OF COMPANY
1.	Name of the Company:	<b>VENTURA TEXTILES LIMITED</b>
2.	Annual Financial Statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified with Emphasis of Matter in respect of Note No. 17 to the financial statements which describes the uncertainty related to loan which has been taken over by Asset Restructuring Company (ARC) from the bank which was settled at Rs. 9.10 crores between the ARC and company which is subject to payment of the same, however if company fails to make the payment to ARC then bank liability will be increased by Rs. 52.25 crores and Note No. 18 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been substantially eroded, These conditions, along with other matters set forth in Note 18, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note. Our opinion is not modified in respect of these matters.
4.	Frequency of observation	-

For **S.M. Kapoor & CO.**  
Chartered Accountants  
(Firm's Regn. Number: 104809W)



For **VENTURA TEXTILES LIMITED**

<b>Shekhar Gupta</b> (Partner) Membership No. 15622	<b>P.M. Rao</b> Chairman & Managing Director	<b>Shyam Karmarkar</b> Chairman – Audit Committee

# **VENTURA TEXTILES LIMITED**

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**ANNUAL REPORT**  
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## VENTURA TEXTILES LIMITED

**VENTURA TEXTILES LIMITED**  
CIN: L21091MH1970PLC014865

### 45<sup>th</sup> Annual Report 2014-2015

#### BOARD OF DIRECTORS

<b>Mr. P. M. Rao</b>	<i>Chairman &amp; Managing Director</i>
<b>Mr. Abhijit Rao</b>	<i>Whole-Time Director &amp; CFO</i>
<b>Mr. Shyam Karmarkar</b>	<i>Director (Independent)</i>
<b>Mr. Prakash Bhargava</b>	<i>Director (Independent)</i>

#### REGISTERED OFFICE

211 / 212, Midas, Sahar Plaza, J. B. Nagar,  
Andheri (East), Mumbai – 400 059.

#### PLANT

Gonde, Nashik District, Maharashtra.

#### AUDITORS

**M/s. S. M. Kapoor & Co.**  
Chartered Accountants

#### BANKERS

**State Bank of India**  
**Corporation Bank**

#### SOLICITORS

**M/s. Bharucha & Partners**

#### REGISTRAR & SHARE TRANSFER AGENT

**Link Intime India Pvt. Ltd.**  
C-13, Pannalal Silk Mills Compound, L.B.S. Marg,  
Bhandup (West), Mumbai - 400 078.

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NOTICE

**NOTICE** is hereby given that the **45<sup>th</sup> Annual General Meeting** of **Ventura Textiles Limited** will be held on **Wednesday, the 30<sup>th</sup> day of September, 2015**, at the Registered Office of the Company at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059 at 10.00 a.m. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Abhijit Rao Penugonda (DIN: 00189126), who retires by rotation and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit to pass the following resolution, as an **Ordinary Resolution**:

**“RESOLVED THAT** Mr. Abhijit Rao Penugonda (DIN: 00189126), who retires by rotation and being eligible, offers himself for re-appointment be and is hereby re-appointed as a Director, liable to retire by rotation.

**“RESOLVED FURTHER THAT** the above-mentioned re-appointment of Mr. Abhijit Rao Penugonda as a Director liable to retirement by rotation shall not in any way constitute a break in his existing office as the Whole-Time Director of the Company.”

3. To ratify the appointment of Statutory Auditors of the Company and to fix their remuneration and in this regard to consider and pass the following resolution, as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the resolution passed by the Members at the Annual General Meeting held on 30<sup>th</sup> September, 2014, in accordance with Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, approving the appointment of M/s. S.M. Kapoor & Co., Chartered Accountants (Firm Registration No. 104809W), as the Statutory Auditors of the Company for a period of 3 Financial Years i.e., Financial Year 2014-15 to 2016-17, the holding of office by M/s. S.M. Kapoor & Co., Chartered Accountants, Mumbai, as the Statutory Auditors of the Company upto the conclusion of Annual General Meeting for the Financial Year 2016-17, be and is hereby ratified at such remuneration to be fixed by the Board of Directors of the Company in consultation with the Statutory Auditors of the Company.”

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 180(1)(a) and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereof and circulars, notifications, clarifications, rules passed thereunder from time to time), consent of the Members of the Company be and is hereby accorded to the Board of Directors or Committee thereof to mortgage, pledge and/or create, modify charge on all or anyone or more of the movable/and/or immovable properties or such other assets of the Company, wheresoever situated, both present and future, on such terms and conditions and at such time or times and in such form or manner as it may deem fit, to or in favour of the National / International Financial Institutions /Banks /multilateral institutions or such persons /institutions /Companies, etc. hereinafter referred as ‘the Lenders’ and Trustees to the Lenders & Bondholders to secure any Term Loans /Cash Credit Facilities / Debentures /Bonds or the like, obtained/or to be obtained for the Company and / or any other



person, from any of the aforesaid Lenders together with interest thereon at the respective agreed rate(s), compound interest, additional interest, liquidated damage(s), commitment charge(s), premia on prepayment or on redemption, cost, charge(s), expenses and all other monies payable by the Company to such Lenders under the respective loan /other agreement(s) entered/to be entered into between the Company and the Lender(s) in respect of the said borrowing(s) for the Company and / or any other person, such security to rank in such manner as may be agreed to between the concerned Lenders /parties and as may be thought expedient by the Board or Committee thereof;

**RESOLVED FURTHER THAT** the Board of Directors or Committee thereof be and are hereby authorised to do all such acts, deeds, as the Board may, in its absolute discretion, consider necessary, expedient or desirable to create charges/mortgages/pledges on assets of the Company, including power to sub-delegate to any Director or Committee of the Board of Directors and to modify / amend the existing charges/mortgages/pledges, if any, created on the assets of the Company, as may be required by the Lenders, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interests of the Company, as it may deem fit;

**RESOLVED FURTHER THAT** the Board of Directors or Committee thereof be and is hereby authorized and it shall always be deemed to have been so authorized to finalize and execute with the Lenders/Trustees the requisite agreements, documents, deeds and writings for creating the aforesaid mortgage(s) and /or charge(s) / pledge on such terms and conditions as the Board of Directors or Committee thereof may consider necessary and expedient in their absolute discretion and to do all such other acts, deeds and things as may be necessary to give effect to the above resolution.”

5. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) and all other applicable provisions, if any, of the Companies Act, 2013, Foreign Exchange Management Act, 1999 including Rules and Regulations framed thereunder, (including any statutory modification thereof and circulars, notifications, clarifications, rules passed thereunder from time to time) and subject to any other approval, if required, consent of the Members of the Company be and is hereby accorded to the Board of Directors or Committee thereof to borrow by way of loans / debentures/bonds/deposits or such securities/instruments (whether secured or unsecured) for the purpose of the business of the Company not exceeding Rs.100 Crores either in Indian Rupees or in Foreign Currency from time to time from any bank(s) or any financial institution(s) or any other institution(s), firm(s), body corporate(s) or other person(s) or from any other source in India or outside India for the purpose of working capital and other requirements of the Company, notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company’s bankers in the ordinary course of business), will exceed the aggregate of the paid up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purposes.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company or Committee thereof be and are hereby authorized to do all such acts, deeds, as the Board may, in its absolute discretion, consider necessary, expedient or desirable including power to sub-delegate, in order to give effect to this resolution or as otherwise considered by the Board to be in the best interests of the Company, as it may deem fit.”

6. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 197, 198, 203 of the Companies Act, 2013 (Act) and the Rules made thereunder read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and the

applicable provisions, if any, of Section 198, 269, 309 read with Schedule XIII to the Companies Act, 1956 and subject to approval of the Central Government or such other approvals, if any, required, the Members do hereby ratify the re-appointment and the remuneration (as detailed in the Explanatory Statement) paid for the Financial Year 2014-15 / payable for the remaining period of the tenure to Mr. Abhijit Rao Penugonda, Whole-Time Director (DIN:00189126), during the tenure of his appointment from 01st November, 2011 to 31st October, 2016, within the maximum ceiling and in accordance with the provisions of the Act and the rules made thereunder."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Abhijit Rao."

7. To consider and, if thought fit, to pass, the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V to the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, and subject to approval of the Central Government or such other approvals, if any, required, the approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Mohan Rao Penugonda (DIN: 00197973) as the Chairman and Managing Director (CMD) of the Company for a period of five years with effect from July 01, 2015 at such remuneration (The remuneration will be paid for maximum for a period of first three years, in case of loss or inadequacy of profit during the tenure) and on the terms and conditions, as per the Explanatory Statement attached to this notice, with liberty to the Board of Directors to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the re-appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Mohan Rao Penugonda."

**"RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorised to vary, amend or revise the remuneration within the maximum ceiling and the terms and conditions of the appointment in accordance with the provisions of the Act, and as may be agreed to between the Board of Directors and Mr. Mohan Rao Penugonda."

**Registered Office:**

211 / 212, Midas, Sahar Plaza  
J. B. Nagar, Andheri (East)  
Mumbai – 400 059

**For and on behalf of Board of Directors**

**Date: 27<sup>th</sup> August, 2015**  
**CIN: L21091MH1970PLC014865**  
**Tel No: 022- 2834 4453 Fax No.: 022-2835 1974**  
**email-id:mkt2@venturatextiles.com**  
**Website: www.venturatextiles.com**

**P. M. Rao**  
**Chairman & Managing Director**  
**DIN: 00197973**



### NOTES:

1. **A Member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself and the proxy need not be a member of the Company.**
2. Pursuant to Section 105(1) of the Companies Act, 2013, read with Rule 19 of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in aggregate not more than 10 (Ten) per cent of the total share capital of the Company carrying voting rights. In the case of a Member holding more than 10 (ten) per cent of the total share capital of the Company carrying voting rights, such a Member may appoint a single person as proxy, who however shall not act as proxy for any other person or shareholder.
3. Proxy form duly stamped and executed in order to be effective, must reach the registered office of the company not less than 48 hours before the time of commencement of the Annual General Meeting. Proxy form is enclosed.
4. Corporate Members are requested to send to the Registered Office of the Company a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
5. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, with respect to the Special Business set out in the Notice is attached and forms part of this Notice.
6. Brief resume of Directors proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships (excluding Directorships in Foreign Companies and Government bodies) and memberships / chairmanships of Board Committees (including Audit and Stakeholders' Relationship Committee) shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement and Secretarial Standards, are provided in the "Annexure B" to the Notice.
7. The Registers required to be maintained under the Companies Act, 2013 including the Register of Directors' Shareholding, and the Register of Directors and Key Managerial Personnel and their Shareholding in the Company under Section 170 of the Companies Act, 2013 and under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the AGM.
8. The Register of Members and Share Transfer Books shall remain closed from Thursday, 24<sup>th</sup> September, 2015 to Wednesday, 30<sup>th</sup> September, 2015 (both days inclusive).
9. Pursuant to Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 permits Nomination by the Members of the Company in the prescribed Form SH-13. Members are requested to avail this facility.
10. Members/Proxy holders are requested to bring their attendance slip duly signed and copy of the Annual Report to attend the meeting.
11. Members are requested to send to the Company their queries, if any, on accounts and operations of the Company at least 10 days before the Meeting to enable the Company to provide the required information.
12. There is no amount outstanding or due for a period of more than Seven years, which the Company is required to transfer to the Investor Education and Protection Fund of the Central Government as required under Section 124 of the Companies Act, 2013.

13. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays, between 11.00 a.m. and 1.00 p.m. up to the date of the Meeting.
14. Members are requested to notify immediately any change in their address / Bank mandate to their respective Depository Participants (DPs) in respect of their electronic share accounts and in respect of their physical shares Folios to the Registrars and Share Transfer Agent of the Company, Link Intime India Private Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai - 400 078.
15. Members are requested to quote their Ledger Folio Number / Client ID Number in all their future correspondence.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
17. Electronic copy of the Notice along with the Annual Report is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report are being sent in the permitted mode.
18. Non-Resident Indian Members are requested to inform M/s. Link Intime India Private Limited immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account no. and address of the Bank with PIN Code No, if not furnished earlier.
19. In compliance with the provisions of Section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Central Depository Services (India) Limited (CDSL), on all resolutions set forth in this Notice. The facility for voting, through Ballot Paper, will be also made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again.

**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Sunday, September 27, 2015, (9.00 a.m.) and ends on Tuesday, September 29, 2015 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. September 23, 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Any person, who acquires shares of the Company and become member of the Company after the dispatch of the notice and holding shares as on the cut-off date i.e. September 23, 2015 may obtain login id and password by sending a request to the Compliance Officer.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) Now Enter your User ID





- a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"><li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li></ul>
DOB	<ul style="list-style-type: none"><li>• Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.</li></ul>
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"><li>• Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li></ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen.
- However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for "Ventura Textiles Limited".
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
  - (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
  - (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
  - (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - (xix) Note for Non – Individual Shareholders and Custodians
  - (xx) Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - (xxi) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - (xxii) After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - (xxiii) The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - (xxiv) A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - (xxv) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
1. a) Mr. S Anantha Rama Subramanian, FCS, Practicing Company Secretary (CP No.1925) has been appointed as Scrutinizer to scrutinize voting process in a fair and transparent manner.
  - b) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the Annual General Meeting, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - c) The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company at [www.venturatextiles.com](http://www.venturatextiles.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited.



**IMPORTANT COMMUNICATION TO MEMBERS:**

The Ministry of Corporate Affairs has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register the same with the Company's Share Transfer Agent, **M/s. Link Intime India Private Limited** Email: [jiny.elizabeth@linkintime.co.in](mailto:jiny.elizabeth@linkintime.co.in)

**STATEMENT SETTING OUT THE MATERIAL FACTS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**ITEM NO.4 & 5**

Under the erstwhile Section 293(1)(a) of the Companies Act, 1956, the Board of Directors of a Company could, with the consent of the members obtained by an ordinary resolution, create /pledge/charge/ mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

With the coming into force of the Companies Act, 2013, in particular, the provisions of section 180 (1) (a) of the Companies Act, 2013, approval of the members is required to be obtained by means of a special resolution to enable the Board of Directors of the Company to create charge/mortgage/ hypothecation on the Company's assets, both present and future, in favour of the lenders/ trustees for the holders of debentures/ bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the ordinary course of business).

Accordingly, it is proposed to pass an enabling special resolution authorizing the Board of Directors to pledge/ create/modify charge on the movable and immovable properties of the Company against the credit facilities/ loans availed from time to time to the amount not exceeding Rs.100 Crores (Rupees One Hundred Crores) only, and/or other Business purposes.

The Board of Directors of your Company, hence recommends the resolution as set out under Item No. 4 & 5, for the approval of members of the Company to be passed as Special Resolutions.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution, except to the extent of their shareholding in the Company.

Copy of all the documents mentioned herein above, would be available for inspection by the shareholders at the Registered Office of the Company between 11.00 a.m. and 01.00 p.m. on all working days from the date hereof up to the date of the AGM.

**ITEM NO. 6 & 7**

**RE-APPOINTMENT & REMUNERATION TO MR. ABHIJIT RAO, WHOLE-TIME DIRECTOR & MR. PENUGONDA MOHAN RAO, CHAIRMAN AND MANAGING DIRECTOR:**

**A) MR. ABHIJIT RAO PENUGONDA:**

Mr. Abhijit Rao Penugonda was appointed as a Whole-Time Director (designated as Executive Director) for a period of Five (5) years commencing from 01st November, 2011 to 31st October, 2016 by the Board of Directors of the Company at their meeting held on 31st October, 2011, with remuneration payable upto 5% of the net profit of the Company in accordance with Part I of Section II of Schedule XIII. He was looking after the operations at the mills located at Nashik, in addition to the marketing of Bed Sheets for USA.

Mr. Abhijit Rao had not been paid any remuneration during his tenure of the said appointment for the period 01st November, 2011 till March 31, 2014 due to loss incurred and the weak financial position of the Company. However, he had been paid the remuneration of Rs.60,000/- (Rupees Sixty Thousand Only) for the Financial Year 2014-15, which is within the 5% of the net profit as per Section I of Part II of Schedule V to the Companies Act, 2013.

During the period, despite all odds and tough situations being in Textile Industry, both macro and micro, the Managerial personnel have brought the Company out of sickness and obtained the deregistration from the Hon'ble BIFR by bringing the net-worth of the Company to positive through restructuring by reduction of capital and preferential allotment. Further, the Managerial personnel of the Company are making all efforts to revive the Company. Mr. Abhijit Rao has also been appointed and given additional responsibility as Chief Financial Officer (CFO), in terms of the requirements of the Companies Act, 2013.

The Company is further planning to modernize its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. His vast experience and knowledge in this field will be of utmost important for the growth of the Company.

The Board of Directors of the Company recommends the ratification of the re-appointment of Mr. Abhijit Rao, under Section 196, 197, 203 and the applicable provisions, if any, read with Schedule V to the Companies Act, 2013, as his existing re-appointment had been made under the provisions of the Companies Act, 1956, and the remuneration paid to him, on the basis of the approval of the Nomination and Remuneration Committee, during the Financial Year 2014-15, and payable during his existing term of appointment, as detailed below. The resolution is proposed to be passed by the members as a Special Resolution.

**B) MR. MOHAN RAO PENUGONDA**

Mr. Mohan Rao Penugonda was appointed as the Managing Director, designated as the Chairman for a period of Five years with effect from July 1, 2010. His tenure as the Chairman and Managing Director of the Company lapsed on June 30, 2015. The Board of Directors of the Company at its meeting held on June 30, 2015 has re-appointed, on the recommendation of the Nomination and Remuneration Committee, Mr. Mohan Rao Penugonda (DIN: 00197973) as the Chairman and Managing Director, for a period of 5 years i.e., w.e.f. July 01, 2015 to June 30, 2020, subject to approval by the members of the Company at the Annual General Meeting.

Mr. P. M. Rao is associated with the Company for more than 3 decades. Due to his hard work and belief, the Company is reviving and is expected to turnaround in years to come. Mr. P. M. Rao has enriched himself with a business experience of decades and has a rich and vast all-round knowledge and experience in the business of Textiles Industry. Moreover he attends to the day to day affairs of Company and also actively involved in operations concerning revival of Company through financial restructuring and other required efforts. The Board considers that his association would be of immense benefit to the Company and recommends the resolution as set out under Item No. 07, for the approval of members of the Company to be passed as a Special Resolution.

The Company is further planning to modernize its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. His vast experience and knowledge in this field will be of utmost important for the growth of the Company.

The terms and conditions of the re-appointment of the Managerial Personnel viz. Mr. Mohan Rao Penugonda, and Mr. Abhijit Rao Penugonda are as follows:



## VENTURA TEXTILES LIMITED

### Option A

In case of the Company having adequate profits, the managerial persons will be paid such remuneration, within the limits specified from time to time under Section 197, read with Section I of Part II of Schedule V to the Act viz. The total managerial remuneration payable by a public company, to its directors, including managing director and whole-time director, and its manager in respect of any financial year shall not exceed ten per cent of the net profits of that company for that financial year computed in the manner laid down in section 198, except that the remuneration of the directors shall not be deducted from the gross profits;

### Perquisites & Allowances:

No other perquisites, until and unless otherwise decided by the Board of Directors of the Company within the ceilings of the remuneration under Section I of Part II of Schedule V to the Companies Act, 2013.

Provided further that, except with the approval of the company in general meeting, the remuneration payable to any one managing director; or whole-time director or manager shall not exceed five per cent of the net profits of the company and if there is more than one such director remuneration shall not exceed ten per cent of the net profits to all such directors and manager taken together.

**Option B :** Subject to required approval of the members and approval, if any, of the Central Government

Name of the Director	Mr. Mohan Rao Penugonda	Mr. Abhijit Rao Penugonda
Designation	Chairman & Managing Director	Whole-Time Director & CFO
I. Remuneration		
a) Basic Salary	Not exceeding Rs.3,00,000/- per month	Not exceeding Rs.3,00,000/- per month
b) Incentive / Annual Increment	As may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors within the maximum ceilings under Schedule V to the Companies Act, 2013	As may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors within the maximum ceilings under Schedule V to the Companies Act, 2013
c) Allowance	Mentioned Below	Mentioned Below
Category A		
1. House Rent Allowance	50% of the Basic salary	50% of the Basic salary
2. *Medical Expense	Not Exceeding One month salary in a year or three months salary in a block of three years.	Not Exceeding One month salary in a year or three months salary in a block of three years.
3.Leave travel assistance	Expenses incurred for self and family in accordance with the Rules of the Company	Expenses incurred for self and family in accordance with the Rules of the Company
4. Club Fees	subject to a maximum of two clubs	subject to a maximum of two clubs
5. Personal accident insurance premium	Not exceeding Rs.8,000/- p.a	Not exceeding Rs.8,000/- p.a

\*Payment towards medical expenses incurred in India and/or abroad and including hospitalization, nursing home and surgical charges for himself and family.

**Commission:** Such amount subject to the overall limits pertaining to the managerial remuneration laid down under Section 197 of the Companies Act, 2013, however, such commission shall not exceed 1% of the net profit.

**Other Terms and Conditions:**

He shall be entitled to 30 days leave with full salary for every 12 months of service or part thereof, encashment of leave at the end of the tenure will not be included in the computation of the ceiling on perquisites.

**Minimum Remuneration:** In the event of loss or inadequacy of profits in any financial year, remuneration payable to the Managerial Personnel shall be subject to the approval, if any required, of the Central Government and within a maximum ceiling limit per month which shall not exceed the limits specified under Section II of Part II of Schedule V to the Companies Act, 2013, including any statutory modification(s) or re-enactment(s) thereof, for the time being in force. Where in any financial year during the currency of the term of the Managerial Personnel, the Company has no profits or its profits are inadequate, the Company will pay remuneration within the maximum ceiling per annum viz. Rs.42 Lacs per annum, considering the effective capital of the Company is more than Rs.5 Crore but less than Rs.100 Crore as per Balance sheet dated March 31, 2015, subject to the approval of the Nomination and Remuneration Committee and the Board of Directors of the Company. The remuneration will be paid for maximum for a period of first three years, in case of loss or inadequacy of profit during the tenure.

The following additional information as required by Section II of Part II of Schedule V to the Companies Act, 2013 is given below:

**I. General Information:**

**1) Nature of Industry:**

Textile Industry

**2) Date or expected date of Commencement of Commercial production:**

The Company was incorporated on 03<sup>rd</sup> November, 1970 and commenced its commercial production in the same financial year.

**3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:**

Not Applicable

**4) Financial performance based on given indicators - as per audited financial results for the year ended 31<sup>st</sup> March, 2015:**

Particulars	Rs. in lakhs
Income from Sales	9.49
Other Income	642.05
Total Income	651.54
Total Expenses	420.15
Net Profit as per Statement of Profit & Loss Account (after tax)	231.38



**5) Foreign Investment or collaborations, if any:**

There is no Foreign investment or collaboration by the Company during the year.

**II. Information about the appointee**

<b>Name of the Director</b>	<b>Mr. Mohan Rao Penugonda</b>	<b>Mr. Abhijit Rao Penugonda</b>
<b>Designation</b>	Chairman & Managing Director	Whole-Time Director & CFO
<b>Background Details</b>	He is the Chairman of the Company. He holds a degree in Bachelor of Commerce. He has a experience of more than 45 years in Textiles Business. He looks after the entire management of the Company.	He is a graduate from American International University; London, with specialization in 'Marketing', and had joined the Company in July, 2004 as General Manager (Operations). Currently he is overseeing our Company's finance. He is also designated as Chief Financial Officer of the Company.
<b>Past Remuneration</b>	Nil	Rs.60,000- (Eligible for 5% of the net profit as per Section I of Part II of Schedule V to the Companies Act, 1956 / 2013)
<b>Job profile and his suitability</b>	He is responsible for day-to-day management of the Company. Taking into consideration his qualifications, experience and expertise, he is best suited for the responsibilities of current assigned role.	He is handling all the corporate matters in addition to the marketing of Bed sheets for USA.
<b>Remuneration proposed</b>	Refer the Explanatory statement annexed to the notice	Refer the Explanatory statement annexed to the notice
<b>Comparative remuneration profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):</b>	Taking into consideration the size of the Company, the qualifications, experience and expertise of Mr. Mohan Rao Penugonda and the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.	Taking into consideration the size of the Company, the qualifications, experience and expertise of Mr. Abhijit Rao, and the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid commensurate with the remuneration packages paid to similar senior level counterpart(s) in other companies.
<b>Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:</b>	Mr. Mohan Rao Penugonda is the Father of Mr. Abhijit Rao (Whole Time Director & CFO) of the Company	Mr. Abhijit Rao is the son of Mr. Mohan Rao Penugonda (Chairman & Managing Director) of the Company.

**III. Other Information**

## i) Reasons for loss or inadequate profits:

The performance of the Company was totally affected on-account of weak financial position and continued illegal strike by workmen since December, 2008. Further, the Company had become sick Company and registered with the Hon'ble BIFR.

Despite all odds and tough situations being in Textile Industry, both macro and micro, the Managerial personnel have brought the Company out of sickness and obtained the deregistration from the Hon'ble BIFR by bringing the net-worth of the Company to positive through restructuring by reduction of capital and preferential allotment.

During the year under review, the Company earned revenue to the tune of Rs. 651.54 Lacs, out of which Rs.642.05 Lacs was on account of profit on sale of barren land of the Company situated at Nashik. As a result the Company earned a profit after tax of Rs.231.38 Lacs as compared to a loss of Rs.307.71 Lacs incurred in the previous year.

## ii) Steps taken or proposed to be taken for improvement:

During the year under review, the Company focused on reducing the high cost debt and successfully accomplished the task. The Company on 02nd June, 2015 repaid the dues of JMFARC in full. This has resulted into a low debt enabling the Company to implement a viable business plan.

The Company is planning to modernize its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. The Company is hopeful of implementing the business plan in the current year.

## iii) Expected increase in productivity and profits in measurable terms:

After taking improvement steps as stated above, the Company shall be in a position to strengthen its capabilities, as well as address future opportunities in India and other markets of choice. The above measures undertaken are expected to yield positive results and improve the financial performance of the Company in the coming years.

None of the Directors and Key Managerial Persons and their relatives are in any way concerned or interested financially or otherwise, except Mr. Abhijit Rao, Penugonda, Mr. P. M. Rao Penugonda and their relatives to the extent of their shareholding Company, as given in Annexure A.

Further, in case the approval of the members by Special Resolution, the payment of remuneration to the Managerial personnel shall be within the maximum ceiling of Rs.84,00,000/- per annum as provided in the section II of part II of Schedule V to the Companies Act, 2013.

Information/disclosure required to be furnished for Mr. P.M. Rao and Mr. Abhijit Rao under Clause 49 of the Listing Agreement and Secretarial Standards is given in Annexure B, which forms part of this Annual Report.





## VENTURA TEXTILES LIMITED

The Board recommends the resolution at Item Nos. **6 & 7** for approval by the members as Special Resolutions.

Copy of all the documents mentioned herein above would be available for inspection by the shareholders at the Registered Office of the Company between 11:00 a.m. and 1:00 p.m. on all working days from the date hereof up to the date of the AGM.

### Annexure A

The Shareholding of Mr. Mohan Rao Penugonda, Mr. Abhijit Rao, and their Relatives in the Body Corporates (promoters) which are holding the shares in Ventura Textiles Limited are mentioned below:

Name of Shareholders	Ventura Texports Private Limited (holding 11,31,915 Equity Shares – 6.88%) in Ventura Textiles Limited	Penny Securities & Investments Private Limited (holding 76,86,858 Equity Shares – 46.72%) in Ventura Textiles Limited	Indo-Gulf Financials Limited (holding 32,85,000 Equity Shares – 19.97%) in Ventura Textiles Limited
	Number of Shares held in the Company by Directors and their relatives		
Mr. Mohan Rao Penugonda	49,997 (9.51%)	60,000 (8.64%)	100 (0.005%)
Mr. Abhijit Rao Penugonda	55,000 (10.47%)	60,000 (8.64%)	100 (0.005%)
Mr. Abhinay Rao Penugonda	55,000 (10.47%)	60,000 (8.64%)	14,89,652 (74.87%)
Mrs. Lakshmimani Penugonda	3,50,000 (66.60%)	1,50,000 (21.61%)	100 (0.005%)
Ventura Texports Private Limited	-	3,20,000 (46.11%)	-

**Annexure-B**

**Information under Clause 49 of the Listing Agreement & Secretarial Standards with respect of the Director seeking appointment/re-appointment in 45<sup>th</sup> Annual General Meeting:**

1. Name	Mr. Mohan Rao Penugonda	Mr. Abhijit Rao
2. Age	66 years	35 years
3. Date of appointment	05 <sup>th</sup> April, 1993	01 <sup>st</sup> November, 2006
4. Relationship with other Directors inter-se	Mr. Mohan Rao Penugonda is the Father of Mr. Abhijit Rao (Whole-Time Director) of the Company	Mr. Abhijit Rao is the Son of Mr. Mohan Rao Penugonda (Managing Director) of the Company
5. Qualification & Experience in specific functional area	B. Com	Graduate from American International University; London, with specialization in 'Marketing.
6. Directorships held in other Companies	Penny Securities and Investments Private Limited	NIL
7. Memberships / Chairmanships of Committee in other public limited companies (includes only Audit & Shareholders' / Investors' Grievance Committee)	Nil	Nil
8. No. of Meetings of the Board attended during the year	Refer Corporate Governance Report annexed to the Board's Report	Refer Corporate Governance Report annexed to the Board's Report
9. Remuneration Last Drawn	Nil	Rs.60,000/- (Eligible for 5% of the net profit as per Section I of Part II of Schedule V to the Companies Act, 1956 / 2013).
10. Shareholding, if any, in the Company	Nil	Nil

**Registered Office:**

211 / 212, Midas, Sahar Plaza  
J. B. Nagar, Andheri (East)  
Mumbai – 400 059.

**Date: 27<sup>th</sup> August, 2015**

**CIN: L21091MH1970PLC014865**  
**Tel No: 022-2834 4453**  
**email-id:mkt2@venturatextiles.com**  
**Website: www.venturatextiles.com**

**For and on behalf of Board of Directors**

**P. M. Rao**  
Chairman & Managing Director  
DIN: 00197973



## VENTURA TEXTILES LIMITED

### BOARD'S REPORT

To  
The Members  
**VENTURA TEXTILES LIMITED**

Your Directors present herewith the 45<sup>th</sup> Annual Report together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2015. The summarized performance during the year is as under:

#### FINANCIAL RESULTS:

(Rs. In Lacs)

PARTICULARS	31 <sup>st</sup> March, 2015	31 <sup>st</sup> March, 2014
Sales	9.49	7.26
Other Income	642.05	396.49
Total Income	651.54	403.75
Profit / (Loss) Before Interest, Depreciation & Tax	578.76	199.08
Interest	297.04	311.94
Depreciation	50.34	194.85
Profit / (Loss) Before Tax	231.38	(307.71)
Exceptional Income/Prior Period Adjustment	-	-
Profit / (Loss) After Tax	231.38	(307.71)

#### PERFORMANCE REVIEW:

During the year under review, the Company earned revenue to the tune of Rs.651.54 Lacs, out of which Rs.642.05 Lacs was on account of profit on sale of barren land of the Company situated at Nashik. As a result, the Company earned a profit after tax of Rs.231.38 Lacs as compared to a loss of Rs.307.71 Lacs incurred in the previous year.

#### DIVIDEND/ RESERVES:

With a view of conserving the profits of the Company for future expansion of the business, the Directors do not recommend dividend on the Equity Share Capital of the Company for the Financial Year ended 2014-15. The Company did not transfer any amount to reserves for the Financial Year ended 2014-15.

#### SHARE CAPITAL:

The paid up share capital of the company as on 31<sup>st</sup> March, 2015 was Rs.1645.32 lacs. During the year under review the Company has not issued shares with or without differential voting rights and has not granted any stock option or sweat equity. As on 31<sup>st</sup> March, 2015, none of the Directors of the company hold instruments convertible into equity shares of the Company.

#### BUSINESS OUTLOOK AND FUTURE PROSPECTS:

During the year under review, the Company focused on reducing the high cost debt and successfully accomplished the task. The Company on 02<sup>nd</sup> June, 2015 repaid the dues of J M Financial Asset Reconstruction Company in full. This has resulted into a low debt enabling the Company to implement a viable business plan.

The Company is planning to modernize its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. The Company is hopeful of implementing the business plan in the current year.

**MANAGEMENT DISCUSSION & ANALYSIS:**

A detailed Management Discussion & Analysis is annexed and forms part of this Annual Report.

**FIXED DEPOSITS:**

The Company has not accepted any deposit within the meaning of the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:****a) Meetings of the Board of Directors held during the year 2014-15:**

During the year under review, five (5) meetings of the Board of Directors took place details of which have been provided in the Corporate Governance Report that forms part of the Annual Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

**b) Declaration by Independent Directors:**

The Company has received necessary declaration from the Independent Directors under Section 149(7) of the Companies Act, 2013, that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013.

Independent Directors are not liable to retire by rotation as per Section 152 (6) of the Companies Act, 2013. None of the Independent Directors will retire at the ensuing Annual General Meeting.

**c) Changes in the Board of Directors during the year 2014-15:**

No changes have taken place in the Board of Directors of the Company during the year 2014-15.

In accordance with the provision of Section 203 of the Companies Act, 2013 every Listed Company is required to have certain officers of the Company as Whole-time Key Managerial Personnel. Your Board of Directors has taken note of the existing office of Mr. P.M. Rao, Managing Director, as a Whole-time KMP of the Company and has appointed Mr. Abhijit Rao, Whole-time Director as the Chief Financial Officer of the Company and has also appointed him as the internal Auditor, as the Company is not having any other employee and not in a position to pay any outside professional, till its operations are restarted. Due to weak financial position, the Company could not appoint a Woman Director and a Whole-Time Company Secretary, and also on account of the Company's operations to restart.

Mr. Abhijit Rao Penugonda (DIN: 00189126), Whole time Director of the Company is liable to retire by rotation at the ensuing AGM pursuant to the provisions of the Companies Act, 2013 read with Companies (appointment and Qualification of Directors) Rules, 2014 and the Articles of Association of the Company and being eligible has offered himself for re-appointment. Appropriate resolution for his re-appointment is being placed for your approval at the ensuing AGM. The brief resume of the Director and other related information has been detailed in the Notice convening 45<sup>th</sup> AGM. Your Directors recommend his re-appointment.

Mr. P. M. Rao, has been re-appointed as the Chairman & Managing Director of the Company for a period of 5 years with effect from 01<sup>st</sup> July, 2015. Necessary Resolution seeking the approval of the members of the Company is provided in the Notice convening the 45<sup>th</sup> AGM of the Company.



**AUDIT COMMITTEE:**

Pursuant to the Provisions of Section 177 (8) of the Companies Act, 2013, read with Rule 6 & 7 of the Companies (Meetings of the Board and its Powers) Rules, 2014, the Audit Committee consists of the following Members as mentioned below:

Sr. No.	Name	Designation
1	Mr. Shyam R. Karmarkar	Chairman (Independent Director)
2	Mr. P. R. Bhargava	Member (Independent Director)
3	Mr. Abhijit Rao	Member (Executive Director)

All the recommendations of the Audit Committee were accepted by the Board of Directors during the year.

**VIGIL MECHANISM:**

The Company has adopted vigil Mechanism, the details of which have at [www.venturatextiles.com](http://www.venturatextiles.com) been provided in the Corporate Governance Report and the same has been posted on the website of the Company.

**NOMINATION AND REMUNERATION COMMITTEE:**

The Company has constituted the Nomination & Remuneration Committee comprising of 3 Members out of which two (2) are Independent Directors and one (1) is Executive Director. The Company is trying to revive itself and on the turnaround of the Company, the Composition of the Nomination & Remuneration Committee will be duly constituted as per Section 178 of the Companies Act, 2013. The scope and functions of the Committee are available on Company's website: [www.venturatextiles.com](http://www.venturatextiles.com).

The Company has adopted a policy titled as "Nomination & Remuneration Policy" which inter alia includes Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria for determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors.

The 'Nomination and Remuneration Policy' as approved by the Board is also placed on the website of the Company.

**STAKEHOLDERS' RELATIONSHIP COMMITTEE :**

Your Company re-aligned its existing shareholders/Investors Grievances Committee as 'Stakeholders' Relationship Committee', with an enhanced scope and functioning. The Stakeholders Relationship Committee comprises of Mr. S.R. Karmarkar as Chairman of the Committee and Mr. P.M. Rao and Mr. P.R. Bhargava as Members of the Committee.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

In terms of Section 134(3)(c) and 134(5) of the Companies Act, 2013, the Directors confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the Company for that year;

- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls, to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively, to the extent possible considering the weak financial position and the Board of Directors are taking best efforts to turn-around the Company's operations and its financial stability.

**CORPORATE GOVERNANCE:**

As per Clause 49 of the Listing Agreement entered into with the Stock Exchange, a Separate Section on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance is set out separately under Corporate Governance Report.

**PERFORMANCE EVALUATION:**

Clause 49 of the Listing Agreement mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and Individual directors. Schedule IV of the Companies Act, 2013 states that the performance evaluation of Independent Directors shall be done by the entire Board of Directors, excluding the Board being evaluated.

The Performance Evaluation of the Directors, the Board and its Committees was carried out based on the criteria/manner recommended by the Nomination & Remuneration Committee and approved by the Board of Directors. Further details in respect of the criteria of evaluation has been provided in the Corporate Governance Report.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Secretarial Department. Your directors express their satisfaction with the Evaluation process.

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULES 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

There is no employee working in the Company, and the Company is not paying any remuneration to its Directors except Mr. Abhijit Rao, Whole-Time Director of the Company in professional capacity. Hence the Disclosures as required under Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 are not applicable to the Company.

**RELATED PARTY TRANSACTIONS:**

During the year under review, there was no transaction entered with any related parties and therefore the disclosure in Form AOC-2 is not required.



## VENTURA TEXTILES LIMITED

The Policy on Related Party Transactions as approved by the Board is uploaded on the Company's website at [www.venturatextiles.com](http://www.venturatextiles.com)

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

During the year under review, no loans or guarantees were given or investments were made pursuant to the provisions of Section 186 of the Companies Act, 2013.

### **SIGNIFICANT AND MATERIAL ORDERS:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

### **STATUTORY AUDITORS**

M/s. S. M. Kapoor & Co., Chartered Accountants, Mumbai have been appointed as Statutory Auditor of the Company for a period of three years at the Annual General Meeting of the Company held on September 30, 2014. However, the appointment of Statutory Auditors needs to be ratified every year by the shareholders in the Annual General Meeting of the Company. M/s. S. M. Kapoor & Co., Chartered Accountants, have intimated their consent and eligibility for continuation of their appointment as the Statutory Auditors of the Company. On the recommendation of the Audit Committee, the Board proposes the ratification of their appointment and to fix their remuneration by the members at the ensuing Annual General Meeting of the Company.

### **AUDITORS' REPORT**

The Auditors' Report does not contain any qualification, reservation or adverse remark, except Emphasis of the Matters mentioned in Auditors' Report as follows:

1. Note No. 17 to the financial statements which describes the uncertainty related to loan which has been taken over by Asset Restructuring Company (ARC) from the bank which was settled at Rs.9.10 crores between the ARC and company which is subject to payment of the same, however if company fails to make the payment to ARC then bank liability will be increased by Rs. 52.25 crores.
2. Note No.18 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been substantially eroded, These conditions, along with other matters set forth in Note 18, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note. Our opinion is not modified in respect of these matters.

### **Management Reply:**

1. The Company on 2<sup>nd</sup> June, 2015 repaid the dues of JMFARC in full by arranging the funds through inter corporate deposits and by selling of barren land situated at Nashik. Now the Company is in the process of revival and it is expected to turn around by end of this financial year i.e. 2015-16, as the promoters / Board of Directors of the Company are trying to commence the Commercial Production in near future.
2. The Company is planning to modernize its Open End Spinning division with the installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing. The Company is hopeful of implementing the business plan in the current year and the Board is optimistic that the Company will be able to continue as a going concern.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is not applicable as the Company has not undertaken any production activity during the year.

Your Company takes serious effort to conserve the energy wherever possible by economizing the use of power at its various offices.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Foreign Exchange earned – Rs.NIL

Foreign Exchange outgo – Rs. NIL

**EXTRACT OF ANNUAL RETURN:**

The extract of the Annual Return pursuant to sub-section (3) of Section 92 of the Companies Act, 2013 prepared in Form MGT-9 is annexed herewith as **(Annexure-1)** to the Board's Report.

**SECRETARIAL AUDITOR**

Mr. S. Anantha Rama Subramanian (CP: 1925), Practising Company Secretary, has been appointed to conduct the Secretarial Audit of the Company for the financial year 2014-15, as required under Section 204 of the Companies Act, 2013 and rules made thereunder.

The Secretarial Audit report for financial year 2014-15 forms part of Annual Report as **Annexure -2** to the Board's Report.

Necessary explanations to each of the observations made in the Secretarial Audit Report are as given below:

- a) *The Company has not appointed a woman director and has therefore not been compliant with the Proviso of Section 149 (1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement.*

Considering, the Company's weak financial position, BIFR history etc., the Company is finding it difficult to appoint a Woman Director on the Board to comply with the requirements of the Companies Act, 2013. The Board of Directors assures that on the turn-around of the Company, the Board will make best efforts to appoint a Woman Director to comply with requirements of the Act and Clause 49 of the Listing Agreement.

- b) *The Company has not appointed Company Secretary (Key Managerial Personnel) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:*

The Company is not in a position to appoint the Company Secretary, due to its weak financial condition. The Board assures that after the commencement of commercial production, the Company will appoint a Company Secretary and comply with the requirements specified under Section 203 of the Companies Act, 2013.

- c) *The Nomination and Remuneration Committee consist of Three (3) Members out of which 2 (Two) are Non-Executive and Independent Directors and 1 (one) is Executive and Non-Independent Director*

The Board of Directors assures that on the appointment of Woman Director, the Nomination and Remuneration Committee would be duly constituted as required under Section 178 of the Companies Act, 2013.





## VENTURA TEXTILES LIMITED

- d) *The Company has not filed necessary returns with respect to appointment of Chief Financial Officer and Internal Auditor under the Companies Act, 2013, delay in the said appointments.*

*The required returns with respect to the appointment of Chief Financial Officer and Internal Auditor will be filed. The Company has no resources to remunerate these positions. Hence, given additional responsibility to the whole-time Director, till turn-around of the Company.*

- e) The Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws. There were generally delay in filing of returns, including Reconciliation of Share Capital Audit Report to Stock Exchange.

The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively, to the extent possible considering the weak financial position and the Board of Directors are taking best efforts to turn-around the Company's operations, its financial stability and to comply with all applicable laws.

### **CORPORATE SOCIAL RESPONSIBILITY COMMITTEE (CSR):**

As per Section 135 of the Companies Act, 2013, every Company having net worth of Rupees five hundred crore or more, or turnover of Rupees one thousand crore or more, or a net profit of Rupees five crore or more during any financial year shall constitute the CSR Committee.

Considering the above threshold limit specified above, the Company is not required to constitute the CSR Committee.

### **PREVENTION OF SEXUAL HARASSMENT:**

There are no women employees associated with the Company, hence, no disclosure is required to be given under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Harassment, Redressal) Act, 2013.

### **DISCLOSURE UNDER SECTION 134(3)(I) OF THE COMPANIES ACT, 2013:**

Except as disclosed elsewhere in this report, no material changes and commitments have occurred between the end of the financial year of the Company and date of this report which can affect the financial position of the Company.

### **ACKNOWLEDGMENT:**

Your Directors would like to express their sincere appreciation to the Company's valued investors, Banks, Central and State Governments and all other statutory authorities for their continued Co-operation and support.

Your Directors also take this opportunity to acknowledge the dedicated efforts made by workers, staff, and officers at all level for their hard work, dedication and commitment.

**For and on behalf of the Board of Directors**

Place: Mumbai  
Date: 27<sup>th</sup> August, 2015

P. M. Rao  
Chairman and Managing Director  
DIN: 00197973

**REPORT ON CORPORATE GOVERNANCE**

(Pursuant to Clause 49 of the Listing Agreement)

**COMPANY PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company’s philosophy on Corporate Governance is to ensure that its obligations are discharged in a fair and transparent manner and to enhance the value of all its stakeholders and meet the aspiration of various sections of the society closely associated with.

In terms of Clause 49 of the Listing Agreement with Stock Exchange, the details in connection with Corporate Governance practiced by the Company are furnished herewith:

**BOARD OF DIRECTORS:**

**Composition:**

As on 31<sup>st</sup> March, 2015, the strength of the Board of Directors was four Directors comprising of two Executive Promoter Directors and two Independent Directors.

Category	No of Directors	% of Total No. of Directors
Executive Directors	2	50%
Independent Directors	2	50%
<b>Total</b>	<b>4</b>	<b>100 %</b>

The Company is in the process of revival and it is expected to turn around by end of this financial year i.e. 2015-16, as the promoters / Board of Directors of the Company are trying to commence the Commercial Production in near future. The Company is in the process of appointing a Woman Director to comply with the requirements of the Clause 49 of the Listing Agreement and Section 149 of Companies Act, 2013.

**Meetings of the Board of Directors:**

The Board meets at least once every quarter and the time gap between two meetings is not more than 120 days. During the financial year 2014-15, Five meetings of the Board of Directors of your Company were held on 30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014, 13<sup>th</sup> February, 2015 and 31<sup>st</sup> March, 2015.

**Directors Attendance Record and Directorships held:**

The composition and category of the Board of Directors during the financial year ended on March 31, 2015, details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2014-15 along with the details in respect of Directorships and committee positions of each director in other Public Limited Companies where he/she is a member/ Chairperson are presented in the following table:

Name of the Director	Category	Attendance			Number of other directorship and Committee Membership/ Chairmanship		
		Board Meeting		Last AGM	#Other Directorship	Committee Membership@	Committee Chairmanship@
		Held	Attended	Attended			
Mr. P.M. Rao DIN: 00197973	Promoter, Chairman and Managing Director	5	5	Yes	1	–	–
*Mr. Abhijit Rao DIN: 00189126	Executive Director (CFO)	5	5	Yes	–	–	–
Mr. P.R. Bhargava DIN: 00763819	Independent & Non-Executive Director	5	5	Yes	1	–	–
Mr. Shyam R. Karmarkar DIN: 01365616	Independent & Non-Executive Director	5	5	Yes	–	–	–

# Excludes directorships in Foreign Companies and Section 8 Companies, but including private Limited companies.

@This includes memberships of only Audit Committee and Shareholders/Investors’ Grievances Committee.

\*Appointed as Chief Financial Officer of the Company w.e.f. 14<sup>th</sup> November, 2014.



## VENTURA TEXTILES LIMITED

### Details of Board Meetings:

During the year, Five Board Meetings were held and all the meetings were held at the Registered Office of the Company.

The details of such Board Meeting are as under:

Name of the Director	Board Meetings held on and attendance details				
	30/05/2014	14/08/2014	14/11/2014	13/02/2015	31/03/2015
Mr. P. M. Rao	Yes	Yes	Yes	Yes	Yes
Mr. Abhijit Rao	Yes	Yes	Yes	Yes	Yes
Mr. P. R. Bhargava	Yes	Yes	Yes	Yes	Yes
Mr. Shyam R. Karmarkar	Yes	Yes	Yes	Yes	Yes

### Directors' Particulars :

Name of the Director	Qualifications
Mr. P. M. Rao	B.Com
Mr. Abhijit Rao	BBA - Graduate from American International University, London
Mr. P. R. Bhargava	BE (MECH), M.E., DMS
Mr. Shyam R. Karmarkar	B.Com., FCA

### Information supplied to the Board:

The Board presented with all information under the following heads whenever applicable and materially significant:

- Review of annual operating plans of business, capital budgets, updates;
- Quarterly results of the Company and its operating divisions;
- Minutes of meeting of audit committee and other committees;
- Information on recruitment and remuneration of senior officers just below the Board Level;
- General notices of interest;
- Materially important show cause, demand, prosecution and penalty notices, fatal or serious accidents or dangerous occurrences;
- Any materially significant effluent or pollution problem;
- Any materially relevant default in financial obligations to and by the Company or substantial non-payment for goods Sold by the Company;
- Any issue which involves possible public or product liability claims of a substantial nature;
- Details of any joint venture of collaboration agreement;
- Transaction that involves substantial payment towards goodwill, brand equity or intellectual property;
- Significant labour problems and their proposed solutions;
- Significant development in the human resource and industrial relations fronts;

- Sale of material nature, of investments, subsidiaries, assets which is not in the normal course of business;
- Foreign exchange exposure and the steps taken by the management to limit the risk of adverse exchange rate movement; and
- Non-compliance of any regulatory or statutory provision or listing requirements as well as shareholder services such as non-payment of dividend and delays in share transfer

No Special Resolution was put through postal ballot at the last AGM.

**a) Code of Conduct:**

Your Company's Board of Directors has prescribed a Code of Conduct for all Board Members and the Company's Senior Management. The Code of Conduct is available on your Company's website [www.venturatextiles.com](http://www.venturatextiles.com)

All the Board Members and the Senior Management personnel of your Company have affirmed their compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2015. A declaration by the Managing director confirming that all the Board Members and senior Personnel have affirmed compliance with the code of the Company and that they have not come across any instance of non-compliance of the Code during the year ended 31<sup>st</sup> March, 2015, is included in the certificate from the Managing Director on the financial statements and other matters of the Company for the Financial Year ended 31<sup>st</sup> March, 2015 which is enclosed as Attachment to this Corporate Governance Report.

### **Audit Committee**

#### **Brief Description and Terms of Reference:**

The Audit Committee of the Company has been constituted in line with the provisions of Clause 49 of the Listing Agreement read with Section 177 of the Companies Act, 2013.

Terms of reference of the Audit Committee in brief are as stated below:

- Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommending to the Board the appointment, re-appointment and if required, the replacement or removal of the statutory auditors and the fixation of audit fees, and confirm their independence;
- Approval of payment to statutory auditors for any other services rendered, if authorized by the Board;
- Review with the Management the quarterly financial statements before the submission to the Board for approval and secure the Certificate from CFO in terms of Clause 41 of the Listing Agreement;
- Evaluate internal financial controls and risk management systems;
- Review with the Management, performance of internal and statutory auditors and adequacy of the internal control systems;
- Look into reasons for substantial defaults in payment to depositors, debenture holders, and creditors;
- Disclosure of contingent liabilities; and
- Any other terms of reference as may be included from time to time in Clause 49 of the Listing Agreement

**Composition and attendance of Audit Committee Meeting:**

The Audit Committee comprises of three members out of which two members are Independent Directors.

During the year under review four meeting of the Audit Committee were held on 30<sup>th</sup> May, 2014, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2014 and 13<sup>th</sup> February, 2015.

The Composition of the Audit Committee as on 31<sup>st</sup> March, 2015 and attendance of the members in the meetings held during the financial year 2014-15 is as under:

Name of Member	Audit Committee Meetings held and attendance			
	30/05/2014	14/08/2014	14/11/2014	13/02/2015
Mr. Shyam R. Karmarkar	Yes	Yes	Yes	Yes
Mr. P. R. Bhargava	Yes	Yes	Yes	Yes
Mr. Abhijit Rao	Yes	Yes	Yes	Yes

The Managing Director and the representative of Statutory Auditors were invited to be present at the Audit Committee Meetings of the Company. The Compliance Officer of the Company co-ordinates with the requirement of the Committee.

In addition to above, the Committee also reviews other matters as may be required under the Listing Agreement and other laws, rules and regulations.

**Nomination & Remuneration Committee:****Brief Description and Terms of Reference:**

The Nomination & Remuneration Committee looks after the due diligence and recommendation process for appointment/ re-appointment of Directors, evaluation of performance of Directors and monitoring of the Nomination & Remuneration policy of the Company.

**Composition and attendance at Nomination & Remuneration committee Meeting:**

The Company has constituted the Nomination & Remuneration Committee comprising of 3 Members out of which two (2) are Independent Directors and one (1) is Executive Director. The Company is trying to revive itself and on the turn around of the Company, the Composition of the Nomination & Remuneration Committee will be duly constituted as per Section 178 of the Companies Act, 2013.

During the year under review, one meeting of the Nomination & Remuneration Committee was held on 14<sup>th</sup> November, 2014.

The Composition of the Nomination & Remuneration Committee and attendance of the members in the meeting held during the financial year 2014-15 is as under:

Name of the Member	Designation	Attended
Mr. Shyam R. Karmarkar	Chairman	Yes
Mr. P. R. Bhargava	Member	Yes
Mr. Abhijit Rao	Member	Yes

**Nomination & Remuneration Policy:**

The Board of Directors of the Company has adopted a Nomination & Remuneration Policy in terms of the provisions of the Companies Act, 2013 and the Listing agreement with the Stock Exchanges and in order to harmonize the aspirations of human resources consistent with goals of the Company which inter alia includes Company's policy on Board Diversity, selection, appointment and remuneration of directors, criteria and determining qualifications, positive attributes, independence of a director and criteria for performance evaluation of the Directors.

**Remuneration to Directors:**

The Company pays remuneration by way of Salary, perquisites, allowances and commission to its Managing Director. All the Independent Directors of the Company receive sitting fees for each meeting of Board and Audit Committee thereof attended by them.

The details of remuneration paid/payable to Directors of the Company during the financial year 2014-2015 is as under: (Rs. in Lacs)

Name of the Director	Sitting fees including fees for Committee Meetings	Salaries & Perks	Commission	Total Amount
Mr. Shyam R. Karmarkar	0.16	—	—	0.16
Mr. P.R. Bhargava	0.16	—	—	0.16
Mr. P.M. Rao	—	—	—	—
Mr. Abhijit Rao	—	0.60	—	0.60

None of the Directors has any pecuniary relationships or transactions with the Company except by way of remuneration paid to the Executive Director and sitting fees paid to other Non-Executive Directors. Your Company presently does not have performance linked incentives for its Directors. No severance fees is payable.

**STAKEHOLDERS’ RELATIONSHIP COMMITTEE:**

**a) Brief Description and Terms of Reference:**

Stakeholders’ Relationship Committee monitors redressal of complaints received from shareholders/investors with respect to transfer of shares, non-receipt of dividend, non-receipt of annual Reports etc. The Committee also takes note of number of transfer processed, issue of fresh share certificates, top shareholders and Shareholding pattern.

**b) Composition and attendance at the Stakeholders’ Relationship Committee:**

The Stakeholders’ Relationship Committee comprises of three members and two of them are Independent Directors. There were no meeting held on account of Nil Complaint received.

The Composition of the Committee as on 31<sup>st</sup> March, 2015 is as under:

Name of Member	Designation
Mr. Shyam R. Karmarkar	Chairman
Mr. P.M. Rao	Member
Mr. P.R. Bhargava	Member

The Stakeholder Relationship Committee reviews and redresses all the grievances periodically and meets as and when required.

- (i) The Company has Share Transfer Agent, which looks after the Shareholders, Correspondence, share transfers, transmissions, transpositions, issue of duplicate, split & consolidated share Certificates, which are approved by the Committee. The Company has connectivity with NSDL & CDSL for Dematerialization of Shares.
- (ii) Mr. Pravin Bhaskar Shetty is the Compliance Officer in terms of the requirement of the stock Exchange who liaisons and monitors the activities of the Share Transfer Agent.



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(iii) Details of Complaints received/ resolved during the financial year 2014-15:

Sr. No.	Nature of Complaints	Received	Resolved	Pending
1	Non Receipt of Certificate	Nil	Nil	Nil
2	Non receipt of dividend	Nil	Nil	Nil
3	Non receipt of Demat credit/ Remat	Nil	Nil	Nil
4	Short receipt of dividend	Nil	Nil	Nil
5	Non receipt of reject DRF	Nil	Nil	Nil
6	Non receipt of exchange certificates	Nil	Nil	Nil
	<b>Total</b>	Nil	Nil	Nil

### PERFORMANCE EVALUATION:

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Performance Evaluation of the Directors, the Board and its Committees was carried out based on the criteria/manner approved by the Nomination & Remuneration Committee and approved by the Board of Directors. The criteria/manner for evaluation as recommended by the Nomination & Remuneration Committee and approved by the Board is as stated below:

A) Criteria/Manner of Performance Evaluation of the Board:

- Composition and quality of the Board
- Key responsibilities and functions of the Board
- Delegation of authorities to the Committees
- Effectiveness of the Board Processes and functioning
- Board Culture
- Relationship of the Board Members with the Management and other Stakeholders

B) Criteria/Manner of Performance Evaluation of the Committees:

- Composition and quality of the Committee
- Key responsibilities and functions of the Committee
- Effectiveness of the Committee Processes and functioning
- Relationship of the Committee Members with the Management and other Stakeholders

C) Criteria/Manner of Performance Evaluation of Individual Directors:

- Number of Meetings of the Board and Committees attended by the Director.
- Contributions made by the Director at the Meetings of the Board and of the Committees

Performance Characteristics of the Director such as acting in good faith, exercising reasonable care, skill and diligence, Independent Judgment and avoiding conflict of interest situation.

- Relationship of the Director with the Management and other Stakeholders.
- In case of evaluation of a director who is a Managing Director/Executive Director, consideration should also be given to the factors like achievement of budget targets, efficiency in leading the Management Team, Cost reduction initiatives implemented and effectively ensuring Governance and Compliance requirements.
- In case of a director who is a Chairperson, consideration should be given to the factors like demonstration of effective leadership on the Board, role played as a direct link between the Board and the Management and effectiveness in conducting the meetings ensuring constructive discussions before deciding on any proposals.

### **FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

Pursuant to provisions of Clause 49 (II) (B) (7) (b) of the Listing Agreement, during the year under review the Company prepared and pursued the Familiarization Programme for Independent Directors as hosted on Company's website at [www.venturatextiles.com](http://www.venturatextiles.com).

### **ADDITIONAL INFORMATION REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT**

Additional information as required under clause 49 VIII (E) of the Listing Agreement in respect of directors seeking appointment/re-appointment is provided as **Annexure B** to the notice convening the ensuing Annual General Meeting.

### **DISCLOSURES:**

#### **a) Materially Significant Related Party Transactions:**

All related party transactions forms part of the Notes to the Financial Statements. Saving those, there were no materially significant related party transactions with Company's promoters, directors or its management, their subsidiaries or relatives, etc. that had a potential conflict with the interest of the Company. The register of contracts containing transactions, in which Directors are interested, is placed before the Board.

#### **b) Accounting Treatment:**

No treatment different from that prescribed in an Accounting Standards has been followed by the Company.

#### **c) Statutory Compliance, Strictures and Penalties:**

The Company has complied with rules and regulations prescribed by the Stock Exchanges, Securities and Exchange Board of India and any other statutory authority relating to capital market.

No penalties and/or strictures have been imposed on the Company by any Stock Exchange or SEBI or any statutory authority during the last three years.

Your Company has complied with all the mandatory requirements of Clause 49 of the Listing Agreement, except those mentioned elsewhere, viz. Non-appointment of Woman Director, etc.

#### **d) Share Capital Audit:**

Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates, on half-yearly basis have been issued by Mr. S. Anantha Rama Subramanian, Practising Company Secretary (CP No. 1925) for due compliance of share transfer formalities by the Company.

Mr. S. Anantha Rama Subramanian, Practising Company Secretary (CP No. 1925) carried out a Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CSDL) ("Depositories") and the total issued and listed capital. The Audit confirms that the total issued/ paid-up Capital is in agreement with the aggregate of the total number of shares in physical form and the total number of shares in dematerialized form (held with Depositories).





**e) Vigil Mechanism:**

The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided the complainant direct access to the Chairman of the Audit Committee. The Vigil Mechanism Policy of the Company is placed on Company's website i.e. [www.venturatextiles.com](http://www.venturatextiles.com).

**f) CEO/ CFO Certification**

A Certificate from the Managing Director and the Chief Financial Officer, on the Financial Statements and other matters of the Company for the Financial Year ended 31st March, 2015 is provided as Attachment to this Corporate Governance Report.

**MEANS OF COMMUNICATION**

The Company's Corporate website [www.venturatextiles.com](http://www.venturatextiles.com) consists of Investor Relations section, which provides comprehensive information to the Shareholders.

Quarterly and Annual Financial Results are published in Free Press Journal in English and Navshakti, a regional newspaper in vernacular language. The said results are also available on Company's website [www.venturatextiles.com](http://www.venturatextiles.com). There is hardly any official news required to be released on website or even in Press.

The Company's Shareholding Pattern is filed on a quarterly basis with the Stock Exchanges and also displayed on the Company's website [www.venturatextiles.com](http://www.venturatextiles.com)

**GENERAL SHAREHOLDER INFORMATION:**

**a) Details of the Annual General Meetings:**

The details of previous three Annual General Meetings of the Company are as follows:

<b>Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>	<b>Special resolution passed</b>
2013-2014	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	30/09/2014	3.00 pm	NIL
2012-2013	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	30/09/2013	3.00 pm	NIL
2011-2012	313, Midas, Sahar Plaza, J.B.Nagar, Andheri (East), Mumbai-400 059.	28/09/2012	3.00 pm	NIL

During the financial year under review, no resolutions have been passed by postal ballot.

**Means of Communication:**

The quarterly, half yearly and annual financial results of the Company are communicated to the Stock Exchange immediately after the Board takes them on record and thereafter published in the Free Press Journal in English and Navshakti, a regional newspaper in vernacular language. Official website of the Company is [www.venturatextiles.com](http://www.venturatextiles.com), which displays official news releases and presentations.

Disclosures pursuant to the Listing Agreement are promptly communicated to the Stock Exchange.

**b) AGM Information and Financial Year:**

Day, Date and Time of AGM	Wednesday, 30 <sup>th</sup> September, 2015 at 10.00 am
Venue	211-212, Midas, Sahar Plaza, J B Nagar, Andheri (East), Mumbai – 400 059
Financial Year	Financial Year is April 01 to March 31 of the following year
Quarterly results will be declared as per the following tentative schedule:	
Financial reporting for the quarter ending June 30, 2015	First fortnight of August, 2015
Financial reporting for the quarter ending September 30, 2015	First fortnight of November, 2015
Financial reporting for the quarter ending December 31, 2015	First fortnight of February, 2016
Financial reporting for the quarter ending March 31, 2016	Last fortnight of May, 2016
Date of Book Closure	24 <sup>th</sup> September, 2015 (Thursday) to 30 <sup>th</sup> September, 2015 (Wednesday)

**c) Listing on Stock Exchanges and Scrip Code:**

The Company’s shares have been listed on the following exchanges:

- i. BSE Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Scrip Code: 516098  
Annual listing fees have been paid for the financial year 2015-16.
- ii. Market Price Data for 2014-15: Not Available. As per the BIFR order received by the Company on 24<sup>th</sup> June, 2013, the Company had applied to the BSE Limited for temporary suspension of dealing in its scrip / shares, to carry out the procedure for Reduction of 75% of its Issue, Subscribed and Paid-up Share Capital and Consolidation of the face Value back to Rs.10/- per Equity Share. After completing the Reduction & Consolidation of Share capital and allotment of shares to Promoter / Promoter group and friends of the Promoter, as per the BIFR Order, the company made the Listing application for re-admission of its scrip / shares on the BSE and has obtained Listing and Trading approval from BSE Limited vide Notice No.20150519-26 dated May, 19, 2015.

**d) Registrar & Share Transfer Agent:**

Link Intime (India) Pvt. Limited is the Registrar & Share Transfer Agent (RTA) of the Company in respect of the equity capital in demat and physical mode. They process share transfer and transmission on fortnightly basis. Their address is as follows:



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Link Intime (India) Pvt. Limited.,  
C-13, Pannalal Silk Mills Compound,  
L.B.S. Marg, Bhandup (West), Mumbai-400 078

### e) Share Transfer System:

Transfer in physical form has to be lodged with Registrar and Share Transfer Agents. All shares received for transfer were registered and dispatched within thirty days of receipts, if the documents were correct and valid in all respects. The time taken to process dematerialization of shares is ten days upon receipt of documents from Depository Participant.

### f) Shareholding pattern as on 31<sup>st</sup> March, 2015:

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	1,21,03,773	73.56
Clearing Members	13,796	0.08
Mutual Funds/UTI	43	0.00
Financial Institutions	10,28,706	6.25
Other Bodies Corporate	3,88,412	2.36
Foreign Company	1,25,000	0.76
Non Resident Indians	89,371	0.54
Public / Others	27,04,188	16.45
<b>Total</b>	<b>1,64,53,289</b>	<b>100.00</b>

### g) Distribution of Shareholding as on 31<sup>st</sup> March, 2015:

Shareholding Class	No. of Shareholders	Percentage of Total Holders (%)	Amount (Rs)	Percentage of Total Shares (%)
1 - 5000	9406	97.36	3794110	2.31
5001 - 10000	120	1.24	849090	0.52
10001 - 20000	68	0.70	915950	0.56
20001 - 30000	19	0.20	461550	0.28
30001 - 40000	14	0.14	464990	0.28
40001 - 50000	8	0.08	352810	0.216
50001 - 100000	15	0.16	1127600	0.69
100001 - above	11	0.11	156566790	95.16
<b>TOTAL</b>	<b>9661</b>	<b>100.00</b>	<b>164532890</b>	<b>100.00</b>

### h) Dematerialization of shares and liquidity:

98.99 % of shares of your Company are held in the electronic mode as on June 30, 2015

## VENTURA TEXTILES LIMITED



**i) Outstanding GDR / Warrants or convertible bonds, conservation dates and likely impact on liquidity:**

The Company has not issued any GDRs/ ADRs/ Warrants or other instruments, which are pending for conversion.

**ii) Corporate Identity Number (CIN):**

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India is

**L21091MH1970PLC014865**

**k) Plant Location:**

Ventura Textiles Limited,  
GAT No. 201,433 & 436,  
Village Gonde, Taluka Igatpuri,  
Nashik 422 403

**l) Address for Correspondence:**

The Shareholders may address their queries and communications to:

**Registered Office:** 211-212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai 400-059  
Ph:(022)2834 4453 Fax : 022-2835 1974  
Email: mkt2@venturatextiles.com

**Registered Office:**

211-212, Midas, Sahar Plaza  
J. B. Nagar, Andheri (East)  
Mumbai 400-059

**CIN:** L21091MH1970PLC014865  
**email-id:** mkt2@venturatextiles.com  
**Website:** www.venturatextiles.com

**Date:** 27<sup>th</sup> August, 2015

**For & on behalf of Board of Directors**

**P.M. Rao**  
**Chairman & Managing Director**  
**DIN: 00197973**

### DECLARATION

This is to certify that in line with the requirement of Clause 49 of the Listing Agreement, all the Directors of the Board and Senior Management Personnel have solemnly affirmed that to the best of their knowledge and belief, have complied with the provisions of the Code of Conduct during the financial year 2014-15.

**P.M.Rao**  
**Managing Director**  
**DIN: 00197973**

Date: 27<sup>th</sup> August, 2015  
Place: Mumbai



## VENTURA TEXTILES LIMITED

### **CERTIFICATION BY THE MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY: (Pursuant to Clause No. 49(IX) of the Listing Agreement)**

To,  
The Board of Directors  
Ventura Textiles Limited  
Mumbai

We, Mr. Mohan Rao Penugonda, Chairman & Managing Director and Mr. Abhijit Rao, CFO, of Ventura Textiles Limited, certify that:

- A. We have reviewed financial statements and the cash flow statement for year ended 31<sup>st</sup> March, 2015 and that to the best of our knowledge and belief:
- i) These statements do not contain any material untrue statement of fact or omit to state any material fact or contain any statement that might be misleading.
  - ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter which are fraudulent, illegal or violative of the Company's code of conduct;
- C. All the Board members and Senior Management personnel have affirmed compliance with the Code of the Company and that they have not come across any instance of non-Compliance of the Code during the year ended 31<sup>st</sup> March, 2015.
- D. We accept responsibility for establishing and maintaining internal controls that we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of Internal Controls, if any, of which we are aware and the steps we have taken or proposed to take to rectify these deficiencies;
- E. We have indicated to the Auditors and the Audit Committee-
- i) Significant changes in internal controls;
  - ii) Significant changes in accounting policies during the period and that the same have been disclosed in the notes to the financial statements; and
  - iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Mohan Rao Penugonda  
Managing Director  
DIN: 00197973

Abhijit Rao Penugonda  
Whole-time Director (CFO)  
DIN: 00189126

Place: Mumbai  
Date: August 27, 2015

**Annexure 1**

**FORM NO. MGT 9**

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

**EXTRACT OF ANNUAL RETURN**

**I REGISTRATION & OTHER DETAILS:i**

i)	CIN	<b>L21091MH1970PLC014865</b>
ii)	Registration Date	November 3, 1970
iii)	Name of Company	<b>Ventura Textiles Limited</b>
iv)	Category of the Company	Public Company / Limited by Shares
v)	Address of the Registered office and contact details	211/212, Midas Sahar Plaza, J.B. Nagar, Andheri Kurla Road, Andheri (E), Mumbai - 400 059. Tel.: 022-2834 4453
vi)	Whether listed company	Yes
vii)	Name and Address of Registrar & Transfer Agents ( RTA ):-	Link Intime India Private Limited C-13, Pannalal Silk Mills, Compound, LBS Marg, Bhaudup (W), Mumbai - 400 078 Contact Person : Manohar Shirwadkar Tel. No. 022 2596 3838 e-mail : manohar.shirwadkar@liniintime.co.in

**II. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

SR. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% of total turnover of the company
1	Preparation and Spinning of Textile Fabrics	1311	Nil
2	Weaving of Textiles	1312	Nil
3	Manufacture of Made-up Textile article, except apparel	1392	Nil

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

No. of Companies for which information is being filled Nil

SR. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/ GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
<b>Nil</b>					



## VENTURA TEXTILES LIMITED

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

#### i. Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	12103773	0	12103773	73.56	12103773	0	12103773	73.56	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other-PIC	0	0	0	0	0	0	0	0	0
<b>(2) Foreign</b>									
a) NRI - Individual/	0	0	0	0	0	0	0	0	0
b) Other - Individual/	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Others	0	0	0	0	0	0	0	0	0
<b>Total shareholding of Promoter (A)</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.56</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.56</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Insitutions</b>									
a) Mutual Funds	0	43	43	0	0	43	43	0	0
b) Banks / FI	1028706	0	1028706	6.25	1028706	0	1028706	6.25	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>1028706</b>	<b>43</b>	<b>1028749</b>	<b>6.25</b>	<b>1028706</b>	<b>43</b>	<b>1028749</b>	<b>6.25</b>	<b>0</b>

# VENTURA TEXTILES LIMITED



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>2. Non-Institutions</b>									
a) Bodies Corp.	384559	3853	388412	2.36	384559	3853	388412	2.36	0
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals	0	0	0	0	0	0	0	0	0
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	665143	24220	689363	4.19	665143	24220	689363	4.19	0
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	2014825	0	2014825	12.25	2014825	0	2014825	12.25	0
Foreign Portfolio Investors - Corproates	0	0	0	0	0	0	0	0	0
c) Others (specify)	90542	137625	228167	1.39	90542	137625	228167	1.39	0
<b>Sub-total (B)(2):-</b>	<b>3155069</b>	<b>165698</b>	<b>3320767</b>	<b>20.19</b>	<b>3155069</b>	<b>165698</b>	<b>3320767</b>	<b>20.19</b>	<b>0</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>4183775</b>	<b>165741</b>	<b>4349516</b>	<b>26.44</b>	<b>4183775</b>	<b>165741</b>	<b>4349516</b>	<b>26.44</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>16287548</b>	<b>165741</b>	<b>16453289</b>	<b>100.00</b>	<b>16287548</b>	<b>165741</b>	<b>16453289</b>	<b>100.00</b>	<b>0</b>

## ii Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Penny Securities & Investments Pvt Ltd	7,686,858	46.72%	Nil	7,686,858	46.72%	Nil	Nil
2	Indo Gulf Financials Ltd	3,285,000	19.97%	Nil	3,285,000	19.97%	Nil	Nil
3	Ventura Texports Pvt Ltd	1,131,915	6.88%	Nil	1,131,915	6.88%	Nil	Nil



**iii Change in Promoters' Shareholding ( please specify, if there is no change)**

There is no change in Promoters' Shareholding .

**iv Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

As per Annexure 1

**v Shareholding of Directors and Key Managerial Personnel:**

As per Annexure 1

**V INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

<b>Indebtedness at the beginning of the financial year</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
i) Principal Amount	141,000,000	-	-	141,000,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>141,000,000</b>	<b>-</b>	<b>-</b>	<b>141,000,000</b>
<b>Change in Indebtedness during the financial year</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
* Addition	-	-	-	-
* Reduction	-	-	-	-
<b>Net Change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>	<b>Secured Loans excluding deposits</b>	<b>Unsecured Loans</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
i) Principal Amount	141,000,000	-	-	141,000,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>141,000,000</b>	<b>-</b>	<b>-</b>	<b>141,000,000</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

*A. Remuneration to Managing Director, Whole-time Directors and/or Manager:*

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager		Total Amount (Rs)
		Mr. P.M Rao	Mr. Abhijit Rao	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	60,000	60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission - as % of profit - others, specify	- - -	- - -	- - -
5	Others, please specify			
	Total (A)	-	60000	60,000
	Ceiling as per the Act	As per Schedule V of the Companies Act, 2013		

*B. Remuneration to other directors:*

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (Rs)
		Mr. Prakash Bhargava	Mr. Shyam Karmarkar	
1	<b>Independent Directors</b>			
	Fee for attending board committee meetings	16000	16000	32000
	Commission			
	Others, please specify			
	<b>Total (1)</b>	<b>16000</b>	<b>16000</b>	<b>32000</b>
2	<b>Other Non-Executive Directors</b>			
	Fee for attending board committee meetings		0	0
	Commission			
	Others, please specify			
	<b>Total (2)</b>		<b>0</b>	<b>0</b>
	<b>Total (B)=(1+2)</b>	<b>16000</b>	<b>16000</b>	<b>32000</b>
	Total Managerial Remuneration			
	Overall Ceiling as per the Act	N. A.		



## VENTURA TEXTILES LIMITED

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Not Applicable. There is no Company Secretary and no Remuneration is paid to Mr. Abhijit Rao (Chief Financial Officer) of the Company.

### VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for the year ended March 31, 2015

#### Annexure 1

#### (iv) Shareholding pattern of top ten shareholders (other than directors, promoters and holders of GDRs and ADRs):

Sr. No.	Name	No. of Shares at the beginning /End of the year	Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding	
						No. of shares	Percentage of total shares of the company
1	Rita J.Bhuta	<b>20,00,000</b>	-	-	No Change in Shareholding	<b>20,00,000</b>	12.16
2	J.M. Financial Asset Reconstruction Co. Private Limited	<b>9,87,325</b>	-	-	No Change in Shareholding	<b>9,87,325</b>	6.00
3	Reliance Capital Limited	<b>3,21,875</b>	-	-	No Change in Shareholding	<b>3,21,875</b>	1.96
4	Dome Investment Limited	<b>1,25,000</b>	-	-	No Change in Shareholding	<b>1,25,000</b>	0.76
5	Hara Gopal Kumsuma Penugonda	<b>62,500</b>	-	-	No Change in Shareholding	<b>62,500</b>	0.38
6	IDBI Bank Limited	<b>41,381</b>	-	-	No Change in Shareholding	<b>41,381</b>	0.26
7	Vijay Agarwal	<b>14,825</b>	-	-	No Change in Shareholding	<b>14,825</b>	0.09
8	Chhotalal Ramjibhai Bhanderi	<b>9,530</b>	-	-	No Change in Shareholding	<b>9,530</b>	0.05
9	Nalluri Chandrashekarani Murthy	<b>9,375</b>	-	-	No Change in Shareholding	<b>9,375</b>	0.56
10	Master Capital services limited	<b>9,095</b>	-	-	No Change in Shareholding	<b>9,095</b>	0.05

**(v) Shareholding of Directors & Key Managerial Personnel: Annexure 1**

Srl. No.	Name of shareholder	Shareholding at the beginning of the year (01.04.2014)		Date	Reason	Increase/ Decrease in shareholding		Cumulative Shares during the year	
		No. of Shares	% of total shares of the Company			No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	Mr. P.M. Rao	0	0.00	31/03/15	At the end of the year	-	-	0	0.00
2.	Mr. Abhijit Rao	0	0.00	31/03/15	At the end of the year	-	-	0	0.00



**Annexure 2**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]*

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2015

To

**The Members**

**Ventura Textiles Limited**

211/ 212, Midas, Sahar Plaza

J.B. Nagar, Andheri-Kurla Road, Andheri (E)

Mumbai – 400 059

I have conducted the Secretarial Audit of the Compliance of Applicable Statutory provisions and the adherence to good corporate practices by **Ventura Textiles Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the Corporate Conducts/Statutory Compliances and expressing my opinion thereon.

Based on my verification of the Company's, books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the company.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2015 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder, *except in delay in filing Reconciliation of Share Capital Audit Report on account of non-availability of data;*
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment (There were no instances of External Commercial Borrowings, Foreign Direct Investment and Overseas Direct Investments made during the year, hence compliance requirements for the same are '**Not Applicable**' for the year under review);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable for the year under review)**;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable for the year under review)**;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the year under review)**;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable for the year under review)**;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable for the year under review)**; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable for the year under review)**.

**vi. With respect to other laws applicable specifically to the Company viz.:**

- a) Water (Prevention and control of Pollution) Act, 1974 and the rules made thereunder;
- b) Air (Prevention and control of Pollution) Act, 1981 and the rules made thereunder;
- c) Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008; and
- d) The Environment (Protection) Act, 1986 and the rules made thereunder.

*The compliance requirements were not applicable on account of Nil operations during the year. I have also examined compliance with the applicable clauses of the following:*

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India; **(Not Applicable for the year under review)**; and
- (ii) The Listing Agreements entered into by the Company with BSE Limited.

**Matter of Emphasis:**

As per the BIFR order received by the Company on 24<sup>th</sup> June, 2013, the Company had applied to the BSE Limited for temporary suspension of dealing in its scrip / shares, to carry out the procedure for Reduction of 75% of its Issue, Subscribed and Paid-up Share Capital and Consolidation of the face Value back to Rs.10/- per Equity Share. After completing the Reduction & Consolidation of Share capital and allotment of shares to Promoter / Promoter group and friends of the Promoter, as per the BIFR Order, the Company made the Listing application for re-admission of its scrip / shares on the BSE and has obtained Listing and Trading approval from BSE Limited vide Notice No.20150519-26 dated May, 19, 2015.



## VENTURA TEXTILES LIMITED

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

1. *The Company has not appointed a woman director and has therefore not been compliant with the Proviso of Section 149 (1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of Listing Agreement;*
2. *The Company has not appointed Company Secretary (Key Managerial Personnel) under Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014;*
3. *The Nomination and Remuneration Committee consist of Three (3) Members out of which 2 (Two) are Non-Executive and Independent Directors and 1 (one) is Executive and Non-Independent Director;*
4. *The Company has not filed necessary returns with respect to appointment of Chief Financial Officer and Internal Auditor under the Companies Act, 2013, delay in the said appointments;and*
5. *The Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws. There were generally delay in filing of returns, including Reconciliation of Share Capital Audit Report to Stock Exchange.*

With respect to delay in filings of E-forms with the Ministry of Corporate Affairs, the Company paid the additional fee and complied with the requirements.

### **I further report that:-**

Based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, and also on the review of compliance reports by KMPs taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor and ensure compliance with applicable general laws like labour laws, competition law, environmental laws and all other applicable laws, rules, regulations and guidelines. The Company has responded to compliance requirements, notices for demands, claims, penalties etc. levied, by various statutory / regulatory authorities and initiated actions for corrective measures and compliance thereof.

**I further report that** the compliance by the Company of applicable financial laws, like direct and indirect tax laws, and Labour Law Compliances have not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals;

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors except the appointment of woman director. There were no changes in the composition of the Board of Directors during the period under review.

Adequate notice along with agenda was given seven days in advance to all directors to schedule the Board Meetings, and detailed notes on agenda were generally sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

## VENTURA TEXTILES LIMITED



I further report that during the audit period there were **no events** viz.:

- (i) Public/Right/sweat equity shares;
- (ii) Redemption / Buy-back of securities;
- (iii) Major decisions taken by the members pursuant to Section 180 of the Companies Act, 2013;
- (iv) Merger / amalgamation / reconstruction, etc.; and
- (v) Foreign technical collaborations;

or such other specific events / actions in pursuance of the above referred laws, rules, regulations, guidelines, etc., having any bearing on the Company's affairs.

For **S. Anantha & Co.,**  
**Company Secretaries**

**S. Anantha Rama Subramanian**  
Proprietor  
FCS: 4443  
CP No.: 1925

Place: Mumbai  
Date: 27<sup>th</sup> August, 2015





## VENTURA TEXTILES LIMITED

### Corporate Governance Certificate

To  
The Members of  
**Ventura Textiles Limited**

We have examined the compliance of conditions of Corporate Governance by Ventura Textiles Limited ("Company") for the year ended March 31, 2015, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange in India.

We have conducted our examination on the basis of the relevant records and documents maintained by the Company and furnished to us for the purpose of the review and the information and explanations given to us by the Company during the course of such review.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has in all material respect complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **S.M. Kapoor & Co.,**  
Chartered Accountants

Sekhar Gupta  
Partner  
Membership No.15622

Place: Mumbai  
Date: August 27, 2015

**MANAGEMENT DISCUSSION & ANALYSIS****INDUSTRY STRUCTURE:**

The year under review has been a challenging one for the textile industry. However, with the drop of raw material prices in India, the industry looks forward for a better future.

The Government of Maharashtra's several incentives to spur the growth of Textile industry in the State is encouraging investments.

**OPPORTUNITIES & THREATS**

With the Promotional Incentive Schemes announced, the Manufacturing activity in the State of Maharashtra is bound to get a support and will augur well for the Textile Industry.

On the consumer side, the demand among the middle class will spur growth on the market.

On the Export front, with the Rupee ranging Rs. 64- Rs.65 a US \$ and the stabilizing US demand will improve the market conditions.

**INTERNAL CONTROL SYSTEMS AND ADEQUACY:**

The Company has proper Internal Controls in place for safeguarding all its assets from unauthorized use or disposal. Adherence to Internal Control Systems is ensured by detailed Internal Audit Program so that the assets are correctly accounted for and business operations as per laid down policies and procedures. However, the continued illegal strike since December 2008, by the workmen is an impediment for carrying out such internal control effectively for the time being.

The Company has an Audit Committee of the Board of Directors, which meets regularly to review, inter alia, risk management policies, adequacies of internal controls and the audit findings on the various functions of different segments of the business.

**HUMAN RESOURCES:**

The Company is deliberating policies benefiting both workers as well as the stakeholders of the Company in the proposed modernization plan of spinning.

**HEALTH AND ENVIRONMENT:**

Your Company recognizes environment protection and management as one of its highest priorities and every effort is made to conserve and protect the environment. The Company has been involved in ensuring green surroundings in its industrial location.

**CAUTIONARY STATEMENT:**

Statement in this Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward-looking statements' within the meaning of applicable Securities Laws and Regulations. Actual results could differ materially from those expressed or implied.

The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent development, information or events or otherwise.

**Registered Office:**

211-212, Midas, Sahar Plaza, J. B. Nagar  
Andheri (East), Mumbai – 400 059

**For and on behalf of Board of Directors**

**P. M. Rao**  
**Chairman & Managing Director**  
**DIN: 00197973**

**Date:** 27<sup>th</sup> August, 2015



**AUDITORS' REPORT**

To The Members of  
**VENTURA TEXTILES LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **VENTURA TEXTILES LIMITED ("the Company")**, which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information..

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- b) in the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**Emphasis of Matters**

We draw attention to the following matters in the Notes to the financial statements:

- a) Note No. 17 to the financial statements which describes the uncertainty related to loan which has been taken over by Asset Restructuring Company (ARC) from the bank which was settled at Rs. 9.10 crores between the ARC and company which is subject to payment of the same, however if company fails to make the payment to ARC then bank liability will be increased by Rs. 52.25 crores.
- b) Note 18 in the financial statement which indicates that the Company has accumulated losses and its Net worth has been substantially eroded, These conditions, along with other matters set forth in Note 18, indicate the existence of a material uncertainty that cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said

Note. Our opinion is not modified in respect of these matters.

**Report on other Legal and Regulatory Requirements**

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 appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid 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 written representations received from the directors as on 31 March, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2015, from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the other matters included in the Auditor's Report and to our best of our information and according to the explanations given to us :
  - i. The Company did not have any pending litigations which would impact its financial position.
  - ii. The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which required to be transferred to Investor Education and Protection Fund by the Company.

For **S M KAPOOR & CO.**  
Chartered Accountants

**(SHEKHAR GUPTA)**  
PARTNER

Membership No. 15622  
Firm Registration No. 104809W

Place: Mumbai  
Date: 30.05.2015



Annexure to the Auditor's Report

- (i) In respect of its fixed assets:
- (a) **The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.**
- (b) The Company has physically verified certain assets during the year in accordance with a programme of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to no material discrepancies were noticed on such verification.

In our opinion fixed assets have been properly dealt with in the books of accounts

- (ii) In respect of its Inventories:
- (a) In our opinion, the management at reasonable intervals has physically verified the inventories and the frequency of verification is reasonable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act 2013.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of books and records of the company, carried out in accordance with the auditing standards generally accepted in India and according to the information and explanation given to us, we have neither come across nor have we been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits from the public as per section 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) According to information and explanation given to us, the maintenance of cost records has not been prescribed by the Central Government sub section (1) of section 148 of the Companies Act 2013.
- (vii) According to the information and explanations given to us in respect of statutory and other dues:
- (a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Value added Tax, cess and any other statutory dues with the appropriate authorities during the year, except the dues detailed as under :
- |     |                |   |                |
|-----|----------------|---|----------------|
| i.  | Profession Tax | : | Rs. 1,96,670/- |
| ii. | Panchayat Tax  | : | Rs. 7,32,773/- |
- (b) There are no disputed dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Service Tax, Excise Duty, Value Added Tax, Cess and any other statutory dues with the appropriate authorities during the year.
- (viii) The Company has accumulated losses at the end of financial year, which is more than 50% of its net worth. Further the company did not have cash losses in the current financial year however incurred cash loss in the preceding financial year.

## VENTURA TEXTILES LIMITED



- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the Company has not defaulted in the repayment of dues to financial institutions, banks and debenture holders.
- (x) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) To the best of our knowledge and belief and according to the information and explanations given to us, term loans availed by the Company were, prima facie, applied by the Company during the year for the purposes for which the loans were obtained, other than temporary deployment pending application.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

for **S.M. Kapoor & Co.**  
Chartered Accountants

**(Shekhar Gupta)**  
Partner

Membership No. 15622  
Firm Regn. No. 104809 W

**Place: Mumbai**  
**Date: 30.05.2015**



## VENTURA TEXTILES LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2015

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	164,406,890	164,406,890
Reserves and Surplus	3	(163,403,173)	(162,303,664)
		1,003,717	2,103,226
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	141,000,000	141,000,000
<b>Current Liabilities</b>			
Trade Payables	5	9,891,974	8,924,400
Other Current liabilities	6	32,240,112	5,099,798
<b>TOTAL</b>		<b>184,135,803</b>	<b>157,127,424</b>
<b>ASSETS</b>			
<b>Non-Current assets</b>			
<b>Fixed Assets</b>			
Tangible assets	7	77,559,041	108,125,924
Long Term loans and advances	8	10,473,555	30,266,750
		88,032,596	138,392,674
<b>Current Assets</b>			
Trade receivables	9	2,072,721	1,253,887
Cash and cash equivalents	10	31,530,486	14,471,587
Short-term loans and advances	11	62,500,000	3,009,276
<b>TOTAL</b>		<b>184,135,803</b>	<b>157,127,424</b>

**Significant Accounting Policies** 1 to 32  
**Notes on Financial Statements**

The note no. referred to above form an integral part of the Balance Sheet

As per our Audit Report of even date

For **S.M.Kapoor & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

**Shekhar Gupta**  
(Partner)  
M.No.15622  
Firm Registration No: 104809W

**P. M. Rao**  
Chairman &  
Managing Director

**Shyam R. Karmarkar**  
Director

Place : Mumbai  
Date : 30th May, 2015

**Mr. Abhijit Rao**  
Whole-Time Director & CFO

**VENTURA TEXTILES LIMITED****STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2015**

(Amount in Rupees)

<b>Particulars</b>	<b>Note No.</b>	<b>From 01.04.2014 To 31.03.2015</b>	<b>From 01.04.2013 To 31.03.2014</b>
<b>INCOME :</b>			
Revenue from operations	12	<b>949,146</b>	726,472
Other Income	13	<b>64,204,736</b>	39,649,114
<b>Total Revenue</b>		<b><u>65,153,882</u></b>	<u>40,375,586</u>
<b>EXPENDITURE :</b>			
Cost of materials consumed		<b>906,307</b>	701,350
Employee benefits expense	14	<b>1,201,629</b>	1,739,910
Finance Cost	15	<b>29,703,790</b>	31,193,964
Depreciation and amortization expense	7	<b>5,033,719</b>	19,484,931
Other expenses	16	<b>5,170,046</b>	18,026,500
<b>Total Expenses</b>		<b><u>42,015,492</u></b>	<u>71,146,655</u>
Profit / (Loss) before tax and Exceptional Income		<b>23,138,390</b>	(30,771,069)
Exceptional Income		-	-
Tax expense :			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the Year		<b>23,138,390</b>	(30,771,069)
Earnings per equity share of face value of Rs.10/- each			
Basic & Diluted before Exceptional Income	30	<b>1.41</b>	(1.87)
Basic & Diluted after Exceptional Income		<b>1.41</b>	(1.87)

**Significant Accounting Policies** 1 to 32**Notes on Financial Statements**

The Note No. referred to above form an integral part of the Profit &amp; Loss Account

As per our Audit Report of even date

**For and on behalf of the Board of Directors**For **S.M.Kapoor & Co.**  
Chartered Accountants**Shekhar Gupta**  
(Partner)  
M.No.15622  
Firm Registration No: 104809W**P. M. Rao**  
Chairman &  
Managing Director**Shyam R. Karmarkar**  
DirectorPlace : Mumbai  
Date : 30th May, 2015**Mr. Abhijit Rao**  
Whole-Time Director & CFO





## VENTURA TEXTILES LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015 (Amount in Rupees)

	For the year ended 31.03.2015	For the year ended 31.03.2014
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>a. Net Profit / (Loss) before Tax &amp; Extraordinary items</b>	<b>23,138,390</b>	(30,771,069)
Adjustments for :		
Depreciation	5,033,719	19,484,931
Depreciation adjusted of earlier years	(24,237,899)	-
Interest Expense	29,703,790	31,193,964
Profit / (Loss) on sale of fixed assets	64,204,736	27,197,257
Interest Income	-	11,090
	<u>74,704,346</u>	<u>-</u>
<b>b. Operating profit before working capital changes</b>	<b>97,842,737</b>	<b>47,116,173</b>
Adjustments for :		
Increase / (Decrease) in trade and other receivables	(40,516,363)	(25,631,481)
Increase / (Decrease) in Equity	-	139,873,250
Increase / (Decrease) in Inventories	-	-
Increase / (Decrease) in trade payables and other liabilities	<u>28,107,888</u>	<u>(12,408,475)</u>
<b>c. Cash generated from operations</b>	<b>85,434,262</b>	<b>85,682,543</b>
Interest Income	-	(11,090)
Direct Taxes paid (provision)	-	-
	<u>-</u>	<u>11,090</u>
<b>d. Cash flow before Extraordinary items</b>	<b>85,434,262</b>	<b>75,664,309</b>
Extraordinary items - Prior period adjustments	-	-
<b>Net Cash from Operating Activities A</b>	<b>85,434,262</b>	<b>75,664,309</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale / Adjustments of Fixed Assets	(38,671,573)	(894,960)
<b>Net Cash used in Investing Activities B</b>	<b>(38,671,573)</b>	<b>(894,960)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES:</b>		
Proceeds from long term borrowings	-	(29,940,000)
Interest Paid	(29,703,790)	(31,193,964)
<b>Net Cash used in Financing Activities C</b>	<b>(29,703,790)</b>	<b>61,133,964</b>
<b>D. Net Increase in Cash and Cash Equivalents A + B + C</b>	<b>17,058,899</b>	<b>13,635,385</b>
Cash and Cash Equivalents as at 1st April, 2014	14,471,587	836,202
Cash and Cash Equivalents as at 31st March, 2015	<u>31,530,486</u>	<u>14,471,587</u>
<b>Net Increase in Cash and Cash Equivalents</b>	<b>17,058,899</b>	<b>13,635,385</b>

As per our Audit Report of even date

For and on behalf of the Board of Directors

For **S .M. Kapoor & Co.**  
Chartered Accountants

**Shekhar Gupta**  
(Partner)  
M.No.15622  
Firm Registration No. 104809W

Place : Mumbai  
Date : 30th May,2015

**P. M. Rao**                      **Shyam R. Karmarkar**  
Chairman &                      Director  
Managing Director

**Mr. Abhijit Rao**  
Whole-Time Director & CFO

**NOTES TO THE FINANCIAL STATEMENTS****NOTE 1****SIGNIFICANT ACCOUNTING POLICIES.****A. Basis of Accounting:**

- i) The financial statements are prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles, the applicable Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013.
- ii) The Company adopts the accrual concept in the preparation of accounts unless otherwise stated

**B. Use of Estimates:**

The presentation of financial statements in conformity with the Generally Accepted Accounting Principles require estimates and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Differences between, the actual results and estimates are recognized in the period in which the results are known / materialized.

**C. Fixed Assets and Depreciation:**

- i) Fixed assets are stated at historical cost less depreciation. Cost of fixed assets comprises of purchase price, duties, levies and any directly attributable cost of bringing the asset to its working condition for its intended use. In respect of project involving construction, related pre-operational and trial run expenses including finance cost relating to deferred credits or borrowed funds attributable to the acquisition of fixed assets, up to completion are included in the gross book value of the assets.
- ii) Depreciation on Fixed Assets is provided on Straight Line Method based on useful life of the assets as prescribed in Section II of Companies Act, 2013 . Till 31<sup>st</sup> March, 2014 depreciation was provided on Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

The difference between the depreciation charged as per the earlier method and the depreciation should have been charged by using useful life method as per Schedule II of the Companies Act 2013 is charged to the retained earning.

**D. Impairment of Assets:**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**E. Borrowing Cost:**

Borrowing Cost incurred in relation to the acquisition, construction of assets are capitalized as the part of the cost of such assets up to the date when such assets are ready for intended use. Other borrowing cost is charged as an expense in the year in which these are incurred.

**F. Inventories:**

- i) Raw materials, Consumable stores and Packing materials are valued at cost.
- ii) Finished goods are valued at sale price less gross margin or cost which ever is lower.
- iii) Stock- in- process is valued at lower of cost or net realizable value.

**G. Foreign Currency Transaction:**

Transactions in foreign currency are recorded at the original rate of exchange in force at the time the transactions are effected except export sales, which are recorded at a rate notified by the customs for invoice purposes. Such rate is notified in the last week of every month and is adopted for recording export sales of the next month. The exchange fluctuation arising as a result of negotiation of export bills is accounted for in the difference in exchange rate. Foreign Currency Assets and Liabilities other than for financing fixed assets are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognized in the Profit & Loss account except in cases covered by forward foreign exchange contracts in which case, these are translated at the contracted rates and the resultant gains/losses are recognized over the life of the contracts. Foreign Currency loans for financing fixed assets are stated at the contracted/prevailing rates of exchange at the yearend and the resultant gains/losses are adjusted to the cost of assets.

**H. Recognition of Income and Expenditure:**

- i) Income and Expenditure are accounted on accrual basis. Income in respect of insurance/other claims, interest, commission etc. is recognized when it is reasonably certain that the ultimate collection will be made.
- ii) Local Sales are recognized on dispatch of goods to customers. Export sales are recognized on the basis of bill of lading. Sales exclude excise duty and sales tax and are net of trade discounts.
- iii) Purchases are net of sales tax set off and freight inward but include cenvat wherever applicable.

I As per normal practice Excise duty/Custom duty on goods not cleared is neither provided for nor is the same considered for valuation of closing stock. This has no impact on the loss for the year. The amount of Excise Duty /Customs Duty on Finished Goods Stock as on 31<sup>st</sup> March, 2015 is NIL.

**J. Provision for Taxation :**

In view of the losses the Company has not provided for taxation.

**K. Excise Duty:**

Liability of Excise duty on finished goods wherever applicable is accounted as and when they are cleared from the factory premises.

**L. Accounting of Cenvat Credit:**

Cenvat credit available is accounted on accrual basis on purchase of materials net of excise duty and appropriated against payment of excise duty on clearance of the finished goods wherever applicable.

**M. Tax on Income:**

Income taxes are accounted for in accordance with Accounting Standard on "Accounting for taxes on Income", (AS-22) issued by ICAI.

Taxes on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961 and based on expected outcome of the assessment/appeals.

Deferred tax is recognized on timing difference between the accounting income and taxable income for the year and quantified using the tax rates and laws enacted or substantively enacted as on the balance sheet date.

Deferred tax assets are recognized and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**N. Provision for Contingent Liabilities and Contingent Assets :**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

# VENTURA TEXTILES LIMITED



## NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015

Note No.	As at 31st March, 2015		As at 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
<b>2 SHARE CAPITAL</b>				
<b>Authorised</b>				
4,00,00,000 Equity Shares of Rs. 10/- each (Previous Year 40000000 Equity shares of Re.10/- each)	<b>400,000,000</b>		400,000,000	
10,00,000 Preference Shares of Rs.100/- each (Previous Year 1000000 Preference Shares of Rs.100/- each)	<u>100,000,000</u>		<u>100,000,000</u>	
		<u>500,000,000</u>		<u>500,000,000</u>
<b>Issued, Subscribed and Paid-up</b>				
<b>Subscribed but not fully paid up</b>				
164,53,289 Equity Shares of Rs. 10/- each (Previous Year 164,53,289 Equity shares of Re.10/- each)	<u>164,532,890</u>		<u>98,638,570</u>	
Less : Call Money Receivable (Receivable from Directors Nil)	<u>126,000</u>		<u>126,000</u>	
		<b>164,406,890</b>		98,512,570
Less: 75% Reduction against Share Capital		-		73,978,930
Add: Capital Issued during the year		-		139,873,250
<b>TOTAL</b>		<u><b>164,406,890</b></u>		<u><b>164,406,890</b></u>

2.1 During the previous year the issued, Subscribed and Paid-up capital of the Company has been reduced from Rs.98,638,570/- to Rs. 24,659,640/- pursuant to 75% reduction in Share Capital in terms of Hon'ble BIFR Order dated 26th June, 2013

During the previous year, the Company issued 13,987,325 Equity shares of Rs.10/- each on Preferential basis in terms of Hon'ble BIFR Order dated 26th June, 2013

The reconciliation of the Number of Shares Outstanding and the amount of Share Capital:

Note No.	Name of the Shareholder	As At 31.03.2015		As At 31.03.2014	
		No. of Shares	% held	No. of Shares	% held
	Balance at the beginning	16,453,289	164,532,890	9,863,857	98,638,570
	Less: 75% Reduction against Share Capital	-	-	7,397,893	73,978,930
	Add: Shares issued during the period	-	-	13,987,325	139,873,250
	<b>Balance at the end of the Period / Year</b>	<b>16,453,289</b>	<b>164,532,890</b>	<b>16,453,289</b>	<b>164,532,890</b>

2.2 The details of Shareholders holding more than 5% Shares :

Note No.	Name of the Shareholder	As At 31.03.2015		As At 31.03.2014	
		No. of Shares	% held	No. of Shares	% held
	Penny Securities & Investments Pvt Ltd	7,686,858	46.76	7,686,858	46.76
	Indo Gulf Financials Ltd	3,285,000	19.98	3,285,000	19.98
	Ventura Texports Pv Ltd	1,131,915	6.88	1,131,915	6.88
	JM Financials Asset Reconstruction Company Pvt Ltd	987,325	6.01	987,325	6.01
	Rita J Bhuta	2,000,000	12.16	2,000,000	12.16



## VENTURA TEXTILES LIMITED

### NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015

Note No.	As at 31st March, 2015		As at 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>				
<b>Securities Premium Reserves</b>				
As per last Balance Sheet		14,813,783		14,813,783
Less : Share Premium Receivable (Receivable from Directors Nil)		158,600		158,600
		<u>14,655,183</u>		<u>14,655,183</u>
<b>Subsidy</b>				
As per last Balance Sheet		2,000,000		2,000,000
<b>Surplus (Profit &amp; Loss Account)</b>				
As per last Balance Sheet		(178,958,847)		(222,166,708)
Add: Profit / (Loss) of the year		23,138,390		(30,771,069)
Add: Adjustment towards reduction in Equity		-		73,978,930
Less : Depreciation of earlier years( See note C )		24,237,899		-
		<u>(180,058,356)</u>		<u>(178,958,847)</u>
<b>TOTAL</b>		<u>(163,403,173)</u>		<u>(162,303,664)</u>
<b>4 LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan	141,000,000		141,000,000	
		<u>141,000,000</u>		<u>141,000,000</u>
<b>TOTAL</b>		<u>141,000,000</u>		<u>141,000,000</u>
<b>4.1</b>	Debt of the Asset Reconstruction Company is secured by way of equitable mortgage created or to be created on all the present and future immoveable properties of the Company and hypothecation of all the moveable properties including moveable machinery spares, tools and accessories etc., present and future, subject to prior charge created and / or to be created in favor of the Company's bankers on stock of raw materials, semi finished and finished goods, consumable stores and other moveables as may be required for working capital requirements in the ordinary course of business and personally guaranteed by the Promoter.			
<b>5 TRADE PAYABLES</b>				
Micro, Small and Medium Enterprises		-		-
Others		9,891,974		8,924,400
		<u>9,891,974</u>		<u>8,924,400</u>
<b>5.1</b>	The details of amount outstanding to Micro, Small and Medium Enterprises based on available information with the Company is Nil.			
	The same has been relied upon by auditor			
<b>6 OTHER CURRENT LIABILITIES</b>				
Interest Accrued and Due		24,230,000		-
Other Liabilities		2,996,291		611,887
Duties & Taxes		5,013,821		4,487,911
		<u>32,240,112</u>		<u>5,099,798</u>

Notes Forming Part of the Balance Sheet as at 31st March, 2015

Note 7

FIXED ASSETS

Particulars of Assets	(Amount in Rs.)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2014	As at 31.03.2015	Depn Rate %	Upto 31.03.2014	Depreciation for the Earlier years (Excess)/Shortage(*)	For the Year	Sales/ Adjustments	Upto 31.03.2015	As at 31.03.2015	As at 31.03.2014		
Freehold Land	2,775,566	1,480,302		-	-	-	-	-	1,480,302	2,775,566		
Buildings	110,424,084	110,424,084	3.17	52,866,955	(1,729,867)	3,011,245	-	4,148,333	56,275,750	57,557,129		
Plant & Machinery	303,380,900	303,380,900	6.33	256,230,274	26,616,768	2,022,474	-	284,867,516	18,511,384	47,150,626		
Furniture & Fixtures	2,400,008	2,400,008	9.50	2,400,008	(120,000)	-	-	2,280,008	120,000	-		
Office Equipments	1,680,665	1,680,665	19.00	1,038,062	558,570	-	-	1,596,632	84,033	642,603		
Electrical Installation	20,587,676	20,587,676	9.50	20,587,676	(1,029,384)	-	-	19,558,292	1,029,384	-		
Computers	3,582,621	1,166,095	31.67	3,582,621	(58,188)	-	2,416,526	1,107,907	58,188	-		
<b>Current Year's Total</b>	<b>444,831,520</b>	<b>441,119,730</b>		<b>3,711,790</b>	<b>24,237,899</b>	<b>5,033,719</b>	<b>2,416,526</b>	<b>363,560,688</b>	<b>77,559,041</b>	<b>108,125,924</b>		
<b>Previous Year's Total</b>	<b>685,069,328</b>	<b>444,831,520</b>		<b>531,156,176</b>	<b>-</b>	<b>19,484,931</b>	<b>213,935,511</b>	<b>336,705,596</b>	<b>108,125,924</b>	<b>153,913,152</b>		

(\*) Depreciation adjustments due to change in depreciation rates as per Schedule II of Companies Act, 2013 from Schedule XIV of Companies Act, 1956



## VENTURA TEXTILES LIMITED

### NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015

Note No.	As at 31st March, 2015		As at 31st March, 2014	
	Rs.	Rs.	Rs.	Rs.
<b>8 LONG TERM LOANS AND ADVANCES</b>				
Others		7,743,107		27,886,302
Deposits		2,730,448		2,380,448
		<u>10,473,555</u>		<u>30,266,750</u>
<b>8.1</b>	Other loans and advances include amounts of Cenvat, TDS and Interest receivable.			
<b>8.2</b>	Deposits include amounts paid to Electricity board, Telephone department and others.			
<b>9 TRADE RECEIVABLES</b>				
(Unsecured Considered Good)				
Over Six Months		2,072,721		1,253,887
Other Debts		-		-
<b>TOTAL</b>		<u>2,072,721</u>		<u>1,253,887</u>
<b>9.1</b>	No provision has been made for doubtful debts, as in the opinion of the management the same is recoverable.			
<b>10 CASH AND CASH EQUIVALENTS</b>				
Balances with Schedule Banks in				
Current Account		31,521,246		14,415,969
Cash on Hand		9,241		55,618
<b>TOTAL</b>		<u>31,530,486</u>		<u>14,471,587</u>
<b>11 SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured, Considered Good)				
Loans and Advances to Related Parties		-		3,009,276
Others		62,500,000		-
		<u>62,500,000</u>		<u>3,009,276</u>

11.1 The above include an advance of Rs.2,70,00,000/- towards building refurbishment / renovation works and Rs.3,55,00,000/- receivable against sale of surplus vacant land as per agreement.

# VENTURA TEXTILES LIMITED



## NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS AS AT 31ST MARCH, 2015

Note No.	From 01.04.2014 To 31.03.2015 Rs.	From 01.04.2013 To 31.03.2014 Rs.
<b>12 REVENUE FROM OPERATION</b>		
Sales - Local	949,146	726,472
<b>TOTAL</b>	<u>949,146</u>	<u>726,472</u>
<b>13 OTHER INCOME</b>		
Scrap Sale	-	598,540
Profit on Sale of Land	64,204,736	39,039,484
Interest Income	-	11,090
<b>TOTAL</b>	<u>64,204,736</u>	<u>39,649,114</u>
<b>14 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries, Wages, Compensation & Bonus	1,150,939	1,337,230
Workmen and Staff Welfare	50,690	402,680
<b>TOTAL</b>	<u>1,201,629</u>	<u>1,739,910</u>
<b>15 FINANCE COST</b>		
<b>Interest</b>		
Term Loan from Bank/Institutions	29,700,000	31,188,102
	<b>29,700,000</b>	<b>31,188,102</b>
<b>Finance Charges</b>		
Bank Charges	3,790	5,862
	<b>3,790</b>	<b>5,862</b>
<b>TOTAL</b>	<u>29,703,790</u>	<u>31,193,964</u>
<b>16 OTHER EXPENSES</b>		
<b>Manufacturing &amp; Operating Expenses</b>		
Power, Fuel and Water Charges	303,621	367,311
Repairs & Maintenance	-	60,282
Insurance	90,354	162,836
Other Expenses	-	13,500
	<b>393,975</b>	<b>603,929</b>
<b>Administrative Expenses</b>		
Travelling & Conveyance	299,640	49,615
Motor Car Expenses	610,167	706,440
Postage and Telephone	218,407	210,614
Directors' Remuneration	60,000	-
Legal & Professional Charges	145,862	1,797,987
Printing & Stationery	21,757	50,892
Rent, Rates & Taxes	2,443,101	1,372,870
Loss on Sale of Machinery	-	11,842,227
Payment to Auditors	112,360	112,360
Miscellaneous Expenses	703,178	1,132,764
Annual Fees	161,599	146,802
	<b>4,776,071</b>	<b>17,422,571</b>
<b>TOTAL</b>	<u>5,170,046</u>	<u>18,026,500</u>





## VENTURA TEXTILES LIMITED

17. **Contingent Liability:** For the Current Period is Rs. 5225.19 Lacs in the event of default to Asset Reconstruction Company (Previous Year Rs. 5225.19 Lacs).
18. The Company has accumulated losses amounting to Rs.16,34,03,173/- , which is more than 50% of its Net Worth, which may adversely affect the future operation of the Company.
19. Estimated amount of Contracts remaining to be executed on Capital account and not provided for Rs. NIL (Previous Year Rs. NIL).
20. Letters of confirmation of balances have been sent to suppliers and debtors. Adjustments, if any, shall be made on receipt of confirmation and reconciliation thereof.
21. Sundry Loans and Advances and other assets are, in the opinion of management, stated at the amount realizable in the ordinary course of business and provision for all known liabilities has been made.
22. In view of the losses, Managing Director has foregone the salary and therefore, no provision has been made in the current year.

**23. Deferred Tax:**

The Company has not provided for Deferred Tax Asset / Liabilities as the Company's policy to recognize the asset is only when there is a reasonable certainty that sufficient future taxable income will be available.

**24. Provision for Tax:**

In view of the Losses, the Company has not made any provision for taxes.

**25. Segment Reporting :**

In terms of Accounting Standard (AS) – 17, the Company is engaged mainly in the business of manufacturing of Textiles consisting of Fabric and Yarn. Considering the nature of financial reporting the Company has only one reportable segment.

**26. Value of Imports on CIF Basis in Respect of :**

	Current Year		Previous Year	
	Rs. In Lacs	%	Rs. In Lacs	%
<b>a) Value of Imports on CIF Basis: (excluding through agency)</b>				
i. Capital Goods	<b>Nil</b>	-	Nil	-
ii. Stores & Spares	<b>Nil</b>	-	Nil	-
<b>b) Expenditure in Foreign Currency</b>				
i. Travelling	<b>Nil</b>	-	Nil	-
ii. Commission on Sales	<b>Nil</b>	-	Nil	-
<b>c) Earnings in Foreign Currency</b> F.O.B Value of Exports	<b>Nil</b>	-	Nil	-
<b>d) Exchange Difference Gain /(Loss) charged to P&amp;L A/c.</b>	<b>Nil</b>	-	Nil	-

**27. Auditors' Remuneration:**

		<b>Current Year Rs.</b>	Previous Year Rs.
a)	Audit Fees	<b>1,12,360</b>	1,12,360
b)	Tax Audit	-	-
c)	Certification, Taxation & Others	-	-
	<b>Total</b>	<b>1,12,360</b>	1,12,360

**28. Managerial Remuneration :**

		<b>Current Year Rs.</b>	Previous Year Rs.
a)	Salary	<b>60,000</b>	-
b)	Perquisites	-	-
c)	Contribution to P.F. and Other Funds	-	-
	<b>Total</b>	<b>60,000</b>	-

**29.** The disclosure of transactions with the related parties, as described in the Accounting Standard-18 issued by the Institute of Chartered Accountants of India, are given below :

**A. Name of the related parties**

Ventura Texports Pvt. Ltd.  
Penny Securities & Investments Pvt. Ltd.  
Indo Gulf Financials Ltd.  
Mr. P. M. Rao  
Mr. Abhijit Rao

**Relationship**

An Associate  
An Associate  
An Associate  
Key Management Personnel -1  
Key Management Personnel -2

(Rs. in lacs)

<b>B. Transactions with related parties</b>	<b>Associate</b>		<b>Key Management Personnel -1</b>		<b>Key Management Personnel -2</b>	
Loans	Nil	(Nil)	Nil	(2.20)	Nil	(1.09)
<b>Income :</b>						
Sale of Goods	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Expenses :</b>						
Purchase of Goods	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
Rent	Nil	(Nil)	Nil	(Nil)	Nil	(1.90)
Remuneration Paid	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Sundry Debtors :</b>						
Balance as on 31 <sup>st</sup> March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Sundry Creditors</b>						
Balance as on 31 <sup>st</sup> March	Nil	(Nil)	Nil	(Nil)	Nil	(Nil)
<b>Loans and Advances</b>						
Balance as on 31 <sup>st</sup> March	Nil	(26.79)	Nil	(Nil)	Nil	(Nil)

**Notes :** 1) Related party relationship is as identified by the Company and relied upon by the auditors.  
2) Previous years figures are given in brackets.



## VENTURA TEXTILES LIMITED

### 30. Earning per Share (EPS) - Basic & Diluted:

The Earning per Share as per the requirement of Accounting Standard (AS)-20 issued by The Institute of Chartered Accountants of India is computed as follows:

	Current Year	Previous Year
Profit/(Loss) after tax before exceptional/extra-ordinary item	<b>Rs.2,31,38,390</b>	<b>(Rs.3,07,71,069)</b>
Add: Extraordinary items	—	—
Profit / (Loss) after exceptional/extra-ordinary items	<b>Rs.2,31,38,390</b>	<b>(Rs.3,07,71,069)</b>
<b>Weighted Average number of Equity Shares</b>	<b>164,40,689</b>	<b>164,40,689</b>
Nominal value of Equity Shares	<b>Re. 10/- each</b>	<b>Re. 10/- each</b>
Basic and Diluted Earning per Equity Share before Exceptional / Extra-ordinary item (Annualized)	<b>Rs. 1.41</b>	<b>Rs. (-) 1.87</b>
Basic and Diluted Earning per Equity Share after Exceptional / extra-ordinary item (Annualized)	<b>Rs. 1.41</b>	<b>Rs.(-) 1.87</b>

31. Previous Years figures have been re-arranged and re-grouped wherever necessary.

32. Note 1 to 31 forms an integral part of the accounts and have been duly authenticated.

For **S. M. Kapoor & Co.**

Chartered Accountants

**Shekhar Gupta**

(Partner)

Membership No. 15622

Firm Registration No: 104809W

Place : Mumbai

Date : 30<sup>th</sup> May, 2015

For and on behalf of the Board of Directors

**P. M. Rao**

Chairman &

Managing Director

**Shyam R. Karmarkar**

Director

**Mr. Abhijit Rao**

Whole-Time Director & CFO

# VENTURA TEXTILES LIMITED



## ATTENDANCE SLIP

### VENTURA TEXTILES LIMITED

CIN: L21091MH1970PLC014865

Regd. Office: 211/ 212, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai - 400 059

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL  
Joint Shareholders may obtain additional Slip at the venue of the meeting.

DP Id\* \_\_\_\_\_ Folio No. \_\_\_\_\_

Client Id\* \_\_\_\_\_ No. of Shares \_\_\_\_\_

#### NAME AND ADDRESS OF THE SHAREHOLDER

I hereby record my presence at the 45<sup>th</sup> Annual General Meeting of Ventura Textiles Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 10.00 a.m. at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059.

\*Applicable for investors holding shares in electronic form.

FORM NO.MGT-11  
**PROXY FORM**

### VENTURA TEXTILES LIMITED

CIN: L21091MH1970PLC014865

Regd. Office: 211/ 212, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai - 400 059

**[Pursuant to the provisions of Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

Name of the Member(s)	E-mail Id:
	Folio No./ *Client ID
Registered Address	*DP ID

I/We, being the holder/s of \_\_\_\_\_ equity shares of Ventura Textiles Limited, hereby appoint:

- 1) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 2) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
- 3) \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 45<sup>th</sup> Annual General Meeting of Ventura Textiles Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 10.00 a.m. at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai – 400 059 and at any adjournment thereof in respect of such resolutions as are indicated below:

\*\*I wish my above Proxy to vote in the manner as indicated in the box below:



## VENTURA TEXTILES LIMITED

Particulars	For	Against
1. Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors thereon for the Financial Year ended on March 31, 2015.		
2. Re-appointment of Mr. Abhijit Rao Penugonda (DIN: 00189126) as a Director, liable to retire by rotation.		
3. Ratification of appointment of M/s. S. M. Kapoor & Co., Chartered Accountants, Mumbai (FRN: 104809W) as the Statutory Auditors of the Company.		
4. Creation of mortgage, pledge, charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.		
5. Approval of Borrowing Limit under Section 180(1) (c) of the Companies Act, 2013.		
6. Ratification and confirmation of the appointment and remuneration paid to Mr. Abhijit Rao Penugonda, Whole-Time Director, during the tenure of his appointment from 01 <sup>st</sup> November, 2011 to 31 <sup>st</sup> October, 2016.		
7. Re-appointment of Mr. Mohan Rao Penugonda (DIN: 00197973) as the Chairman and Managing Director (CMD) of the Company for a period of five years with effect from July 01, 2015.		

\*Applicable for investors holding shares in electronic form.

\*\* This is optional

Signed this \_\_\_\_ day of \_\_\_\_\_, 2015

Affix  
One Rupee  
Revenue  
Stamp

\_\_\_\_\_  
Signature of the Proxy holder(s):

\_\_\_\_\_  
Signature of Shareholder

**Note: This Form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

PRINTED MATTER  
BOOK - POST

To,

*If undelivered, please return to:*

**VENTURA TEXTILES LIMITED**

**Regd. Office :**

211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East),  
Mumbai - 400 059.