

# **VENTURA TEXTILES LIMITED**

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ANNUAL REPORT  
2015 - 2016

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## VENTURA TEXTILES LIMITED

### 46<sup>th</sup> Annual Report 2015-2016

#### 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**

#### REGISTRARS & SHARE TRANSFER AGENTS

**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 **46<sup>th</sup> Annual General Meeting** of **Ventura Textiles Limited** will be held on **Friday, the 23<sup>rd</sup> day of September, 2016**, at the Registered Office of the Company at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri- Kurla Road, 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 for the financial year ended 31<sup>st</sup> March, 2016, along with reports of the Board of Directors and Auditors' thereon.
2. To appoint a Director in place of Mr. Mohan Rao Penugonda, (DIN: 00197973), 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. Mohan Rao Penugonda, (DIN: 00197973), 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 re-appointment of Mr. Mohan Rao Penugonda, as a Director liable to retire by rotation shall not in any way constitute a break in his existing office as the Managing 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 if thought fit to 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 Sections 196, 197, 198, 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V of 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, the approval of the Members of the Company be and is hereby accorded to the re-appointment of Mr. Abhijit Rao Penugonda (DIN:00189126) as the Whole-Time Director of the Company for a period of five years with effect from November 01, 2016 at such remuneration (The remuneration will be paid for maximum 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. Abhijit 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. Abhijit Rao Penugonda.”

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c), 71 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory amendments thereto or re-enactment thereof for the time being in force and hereinafter collectively referred as ‘Act’), the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, (‘SEBI ICDR Regulations’), the Securities and Exchange Board of India (Substantial Acquisitions of Shares and Takeovers) Regulations, 2011, (the ‘Takeover Regulations’) and other applicable Guidelines, Clarifications, Rules, Regulations issued by the Securities and Exchange Board of India, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015, as amended from time to time, the Listing Agreement entered into between the Company and BSE Limited (‘BSE’) and enabling provisions of the Memorandum and Articles of Association of the Company and subject to all other necessary approval(s), permission(s), consent(s) and sanction(s), if required, of concerned statutory authority and subject to such conditions and modifications as may be prescribed by any of them while granting such approval(s), permission(s), consent(s) and sanction(s) and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee constituted / to be constituted by the Board to exercise its powers, including the powers conferred by this Resolution), the consent of the Members of the Company be and is hereby accorded to the Board to create, offer, issue and allot from time to time in one or more tranches, on Preferential basis not exceeding 20,00,000 (Twenty Lakh) 0% Optionally Fully Convertible Debentures (OFCDs) of face value of Rs.10/- each, convertible at the option of the holder, in one or more tranches, into equivalent number of Equity Shares of Rs.10/- each of the Company (at a premium of Re.0.24 per Equity Share or such other higher price as may be arrived as per the SEBI ICDR Regulations) to M/s. Sai Creations, [acting through its partners viz. Mr. Deepak Balkrishna Lokare & Mrs. Savita Deepak Lokare] (hereinafter referred as ‘Allottee’), at the price to be determined in accordance with Chapter VII of the SEBI ICDR Regulations and on such terms and conditions in accordance with SEBI ICDR Regulations, and other applicable laws and in such a manner as the Board may think fit in its absolute discretion.

#### **RESOLVED FURTHER THAT**

- a) the ‘Relevant Date’ under SEBI ICDR Regulations for the purpose of determination of issue price of the abovementioned Equity Shares arising on conversion of OFCDs shall be August 24, 2016, being the date 30 days prior to the date of the Annual General Meeting scheduled to be held to consider the proposed Preferential issue;
- b) OFCDs which would be issued and allotted upon payment of subscription money of entire amount of the issue price shall give the OFCDs holder the right to seek conversion of the OFCDs into equivalent number of equity shares within 18 months from the date of allotment at Rs.10.24 per OFCD (including premium of Re.0.24 per Equity Share) or such other higher price being the price determined in accordance with Chapter VII of the SEBI ICDR Regulations;

- c) the OFCDs / the Equity Shares to be issued and allotted as a result of conversion of Securities shall be listed and traded on BSE and shall be subject to the provisions of the Memorandum and Articles of Association of the Company;
- d) the Equity Shares to be issued and allotted as a result of conversion of Securities shall remain locked in for a period of one year, provided that the period of lock-in will be reduced to the extent the convertible securities have already been locked-in as per the provisions of SEBI ICDR Regulations;
- e) the Equity Shares to be issued and allotted as a result of conversion(s) of securities shall rank *pari passu* with the existing Equity Shares of the Company in all respects including that of payment of dividend, if any, from the date of such conversion(s) respectively; and
- f) the Board be and is hereby authorised to modify the terms and conditions of allotment of Securities including the terms of conversion of Securities into Equity Shares in accordance with the provisions of SEBI ICDR Regulations.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, desirable, incidental or expedient to the issue or allot the aforesaid OFCDs and listing of the OFCDs / Equity Shares with the stock exchange as appropriate and for the purpose of giving effect to the above, the Board be and is hereby authorized to agree, make, accept all such term(s), condition(s), modification(s) and alteration(s) as it may deem fit including condition(s), modification(s) and alteration(s) stipulated or required by any relevant authority or under applicable bye-laws, rules, regulations or guidelines and give such directions and instructions as may be necessary to resolve and settle all questions and difficulties that may arise in relation to the proposed issue, offer and allotment of OFCDs and the utilization of the issue proceeds and to do all acts, deeds and things in connection therewith and incidental thereto as the Board in its absolute discretion may deem fit, including without limitation, issuing clarifications on the offer, making any application etc., to the concerned regulatory authorities, issue and allotment of the equity shares, to execute necessary documents and enter into contracts, arrangements, other documents (including for appointment of agencies, intermediaries and advisors for the issue) and to authorize all such persons as may be necessary, in connection therewith and incidental thereto as the Board in its absolute discretion shall deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

On behalf of Board of Directors of  
Ventura Textiles Limited

Date: 24<sup>th</sup> August, 2016  
Place: Mumbai

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

**Registered Office:**  
211 / 212, Midas, Sahar Plaza  
J. B. Nagar, Andheri-Kurla Road, Andheri (East), Mumbai – 400 059  
**CIN: L21091MH1970PLC014865**  
**Tel No: 022- 2834 4453 Fax No.: 022-2835 1974**  
**email-id:mkt2@venturatextiles.com**  
**Website: www.venturatextiles.com**

### NOTES:

1. Explanatory Statement, pursuant to Section 102 (1) of the Companies Act, 2013 in respect of the business under Item No. 04 & 05 are attached and forms part of this notice.
2. **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. PROXIES, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DELIVERED AT THE REGISTERED/CORPORATE OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE ANNUAL GENERAL MEETING (AGM). A PROXY FORM IS ENCLOSED.**
3. 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.
4. Information/disclosure required to be furnished of Mr. Mohan Rao Penugonda and Mr. Abhijit Rao Penugonda pursuant to Regulation 36(3) of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015, is given in Annexure-B, which forms part of this Annual Report.
5. 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.
6. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member entitled to vote at a meeting of the Company, would be entitled to inspect the proxies lodged, at any time during the business hours of the company, provided not less than three (3) days of notice in writing is given to the company.
7. The Share Transfer Books and Register of Members of the Company will remain closed from Saturday, 17<sup>th</sup> September, 2016 to Friday, 23<sup>rd</sup> September, 2016 (both days inclusive).
8. Pursuant to the provisions of Section 72 of the Companies Act, 2013 read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014, Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company are requested to submit details to the Registrar and Transfer Agent of the Company, in the prescribed Form SH -13. Members holding shares in demat form may contact their respective DP for recording of nomination.
9. Members, Proxies and Authorized Representatives are requested to bring the attendance slip enclosed herewith duly completed and signed along with their copy of Annual Report to the AGM. Only registered Members carrying the attendance slip and the holders of valid proxies registered with the Company will be permitted to attend the AGM. Members holding shares in dematerialised form are requested to bring their Client ID and DP ID details for identification.
10. 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.

11. Members are requested to notify immediately the 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 share folios to the Company's Registrar and Share Transfer Agents, Link Intime India Private Limited, C-13, Panna Silk Mills Compound, L.B.S. Marg, Bhandup (West) Mumbai-400078.
12. Members are requested to quote their Ledger Folio Number/Client ID Number in all their future correspondences.
13. 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; and
  - 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.
14. Members are requested to register / update their bank details with their Depository Participants as well as the Company to enable expeditious credit of the dividend to their bank accounts electronically.
15. Members desiring any information with regard to Accounts/Reports are requested to write to the Company at least ten days before the Annual General Meeting, so as to enable the Management to keep the information ready at the meeting.
16. The Register of Directors and Key Managerial Personnel and their Shareholding in the Company under Section 170 of the Companies Act, 2013 and the Register of Contracts maintained by the Company under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
17. The Annual Report is being sent through electronic mode only to the Members whose e-mail addresses are registered with the Company/Depository Participant (s) unless any Member has requested for physical copy of the Report. For Members who have not registered their email addresses, physical copies of the Annual Reports are being sent by permitted mode.
18. To support the green initiatives taken by Ministry of Corporate Affairs, Members are requested to register their e-mail Address with Depository Participant only and not to the Company or its Registrar and Transfer Agent. Any such changes effected by the Depository Participant will automatically reflect in the Company's subsequent records.
19. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except Saturdays and Sundays during business hours up to the date of the Annual General Meeting.
20. 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.
21. Members who still hold share certificates in physical form are advised to dematerialise their shareholding to avail the benefits of dematerialisation, which include easy liquidity (trading is permitted in dematerialised form only), electronic transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
22. The annual report of the Company circulated to the Members of the Company, will be made available on the Company's website at [www.venturatextiles.com](http://www.venturatextiles.com)

23. A roadmap showing directions to reach the venue of the AGM is given at the end of this Notice.

24. Voting through Electronic means:

In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44(1) and Regulation 44(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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 e-voting period commences on Tuesday, 20<sup>th</sup> September, 2016 (9.00 a.m.) and ends on Thursday, 22<sup>nd</sup> September, 2016 (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., Friday, 16<sup>th</sup> September, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

The facility for voting through ballot paper will also be made available at the AGM and the members attending the AGM, who have not already cast their votes by e-voting, shall be able to exercise their rights at the AGM through ballot paper.

The Company has appointed Mr. S Anantha Rama Subramanian, FCS, Proprietor of M/s S. Anantha & Co., Practising Company Secretary (CP No. 1925) Company Secretaries, Mumbai as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.

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

- i) 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., Friday, 16<sup>th</sup> September, 2016 may obtain login Id and password by sending a request to the Compliance Officer/ Managing Director.
- ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iii) Click on Shareholders.
- iv) 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.
- v) Next enter the Image Verification as displayed and Click on Login.
- vi) 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.





vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
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>

viii) After entering these details appropriately, click on "SUBMIT" tab.

- ix) 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.
- x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi) Click on the EVSN for "Ventura Textiles Limited".
- xii) 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.
- xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv) 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.
- xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii) 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.

- xviii) Note for Non – Individual Shareholders and Custodians
  - xix) 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.
  - xx) 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).
  - xxi) 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.
  - xxii) 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.
  - xxiii) 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.
  - xxiv) 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).
- 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 two 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**

**RE-APPOINTMENT OF MR. ABHIJIT RAO PENUGONDA AS WHOLE-TIME DIRECTOR**

The Board of Directors at their meeting held on 13th August, 2016, has approved to re-appoint Mr. Abhijit Rao Penugonda as a Whole-Time Director (designated as Executive Director) for a period of Five (5) years commencing from 01st November, 2016 to 31<sup>st</sup> October, 2021, and also fixed the remuneration payable for a period of 3 years on the recommendation of the Nomination and Remuneration Committee and approval of Audit Committee of the Board of Directors of the Company on the following terms & conditions viz:

**Remuneration:**

**Option A**

In case of the Company having adequate profit, the Managerial Personnel 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.

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 eleven 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 will be provided. 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 the required approval of the members and the approval, if any, of the Central Government:

<b>Name of the Director</b>	<b>Mr. Abhijit Rao Penugonda</b>
<b>Designation</b>	Whole-Time Director & CFO
<b>I. Remuneration</b>	
<b>a) Basic Salary</b>	Not exceeding Rs. 3,00,000/-per month
<b>b) Incentive / Annual Increment</b>	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
<b>c) Allowance</b>	Mentioned Below
<b>Category A</b>	
<b>1. House Rent Allowance</b>	50% of the Basic salary
<b>2. *Medical Expense</b>	Not Exceeding One month salary in a year or three months salary in a block of three years.
<b>3. Leave travel assistance</b>	Expenses incurred for self and family in accordance with the Rules of the Company
<b>4. Club Fees</b>	Subject to a maximum of two clubs
<b>5. Personal accident insurance premium</b>	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, during the currency of the term of Mr. Abhijit Rao, the remuneration payable to him will be subject to a maximum ceiling limit as per 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 and in accordance with the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors of the Company.

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 or the year ended 31<sup>st</sup> March, 2016:**

<b>Particulars</b>	<b>Rupees</b>
Income from Sales	5,06,000
Other Income	1,05,89,393
Total Income	1,10,95,393
Total Expenses	1,09,00,552
Net Profit as per Statement of Profit & Loss Account (after tax)	1,94,841

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

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

**Information about the appointee**

<b>Name of the Director</b>	<b>Mr. Abhijit Rao Penugonda</b>
<b>Designation</b>	Whole-Time Director & CFO
<b>Background Details</b>	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>	Rs.60,000/- (Eligible for 5% of the net profit as per Section I of Part II of Schedule V to the Companies Act, 2013.
<b>Job profile and his suitability</b>	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

<p><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></p>	<p>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.</p>
<p><b>Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any:</b></p>	<p>Mr. Abhijit Rao is the son of Mr. Mohan Rao Penugonda (Chairman &amp; Managing Director) of the Company.</p>

**III. Other Information**

i) Reasons of 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.5,06,000.

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 02<sup>nd</sup> 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, (Self) Mr. Mohan Rao Penugonda (Father of Mr. Abhijit Rao Penugonda) and their relatives to the extent of their shareholding in the Company, if any, as given in Annexure A.

The Board recommends the resolution at item No.4 for approval by the members as a Special Resolution.

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.

**ITEM NO.5****ISSUE OF 0% OPTIONALLY FULLY CONVERTIBLE DEBENTURES ("OFCDs") ON A PREFERENTIAL BASIS.**

In order to augment the long term fund requirements of the Company viz., to meet capital expenditure in connection with the Open End Spinning division, installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing, your Company is proposing an issue of 0% Optionally Fully Convertible Debentures ("OFCDs") on a preferential basis.

The proposed Issue of the OFCDs would result in an inflow of not exceeding Rs.2.048 Crores (Rupees Two Crores Four Lakh Eighty Thousand Only) assuming that they would be fully subscribed for conversion into Equity Shares of the Company.

The Equity Shares to be issued and allotted as a result of conversion of OFCDs, would be listed on BSE, subject to obtaining necessary regulatory approvals, if any.

As per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, the relevant disclosures / details are given below:

**a) Objects of the Issue:**

To augment the long term fund requirements of the Company for its on-going capital expenditure with respect to setting up of open end spinning division, installation of State-of-the-art machines to produce high quality Open End Yarn to meet the demand for Industrial fabric / Denim manufacturing.

**b) Relevant Date:**

The 'Relevant Date' under SEBI ICDR Regulations for the purpose of determination of issue price of the abovementioned Equity Shares arising on conversion of OFCDs shall be August 24, 2016, being the date 30 days prior to the date of Annual General Meeting scheduled to be held on September 23, 2016.

**c) Pricing of Preferential Issue:**

In accordance with Regulation 76(2) which provides for pricing of equity shares of the issuer which have been listed on a recognised Stock Exchange for a period of less than twenty six weeks as on the relevant date, Chapter VII of SEBI ICDR Regulations, the Equity Shares to be issued and allotted as a result of conversion of OFCDs on a preferential basis shall be made at a price not less than the higher of the following:

- i) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on the recognized stock exchange during the period shares have been listed preceding the Relevant Date; or
- ii) the average of the weekly high and low of the volume weighted average prices of the related equity shares quoted on a recognized stock exchange during two weeks preceding the Relevant Date.

Since the Company is listed on BSE the trading volume of Equity Shares of the Company the stock exchange will be considered to determine the highest trading volume for computation of issue price. The OFCDs be issued at the price of Rs.10.24 per Security (including premium of Re.0.24 per OFCDs) being the price determined in accordance with Regulation 76 of SEBI ICDR Regulations;

**d) Intention of the Promoters, Directors, Key Managerial Personnel of the Company to Subscribe to the Offer:**

The Promoters, Directors, Key Managerial Personnel of the Company does not intent to subscribe to the offer.

**e) Proposed time within which allotment will be completed:**

As required under First Proviso to Regulation 74(1) of the SEBI ICDR Regulations, the Company shall complete the allotment of OFCDs on or before the expiry of 15 days from the date of passing of this resolution by the Shareholders or where allotment of OFCDs require any approval(s) from any regulatory authority or the Central Government, the said allotment will be completed within 15 days from the date of such approval(s) as the case may be.

**Shareholding Pattern Pre and Post Preferential Allotment:**

S. No.	Category	Pre Issue (as on 30.06.2016)		Post Issue / Conversion	
		No. of Shares	%	No. of Shares	%
<b>A.</b>	<b>Promoter &amp; Promoter Group:</b>				
1.	Individual				
2.	Bodies Corporate	1,21,03,773	73.56	1,21,03,773	65.59
	<b>Sub-total (A)</b>	<b>1,21,03,773</b>	<b>73.56</b>	<b>1,21,03,773</b>	<b>65.59</b>
<b>B.</b>	<b>Public:</b>				
1.	Mutual Funds	43	0	43	0
2.	Financial Institutions/Banks	10,28,706	6.25	10,28,706	5.57
3.	Foreign Portfolio Investors	-	-	-	-
4.	Bodies Corporate	3,70,581	2.26	6,92,456	3.75
5.	Resident Individuals*	27,20,801	16.54	47,20,801*	25.58
6.	Non Resident Individuals	88,562	0.54	88,562	0.48
7.	Foreign Corporate Bodies	1,25,000	0.76	1,25,000	0.68
8.	Clearing Members	11,775	0.07	11,775	0.06
9.	Trust	-	-	-	-
10.	GIC & Its Subsidiaries	-	-	-	-
11.	HUF	4,048	0.02	4,048	0.02
	<b>Sub- Total (B)</b>	<b>43,49,516</b>	<b>26.44</b>	<b>63,49,516</b>	<b>34.41</b>
	<b>Grand Total (A+B)</b>	<b>1,64,53,289</b>	<b>100.00</b>	<b>1,84,53,289</b>	<b>100.00</b>

\*Assuming full conversion of 20,00,000 Convertible debentures into Equity Shares and that the holding of all other shareholders shall remain the same post-preferential issue, as they were on the date on which the pre-preferential issue shareholding is prepared.



**f) The identity of the proposed allottees, the percentage of post preferential issue capital that may be held by them and change in control, if any, in the issuer consequent to the preferential issue:**

**i. Identity of the proposed allottee:**

M/s. Sai Creation is a partnership firm having its registered office at 1573, Gala No.10,Ground Floor,Phase- II,Prithvi Complex,Kalher,Thane,Mumbai - 421 302. It is managed by its Partners, Mr. Deepak Balkrishna Lokare, aged 46 years and Mrs. Savita Deepak Lokare aged 41 years, having their residence at Blue Lotus – “B” Wing, Room No. 102/103, Joy Home Co-op Hsg Society, L.B.S.Marg, Near Dena Bank,Bhandup (West), Mumbai - 400 078.  
Further, the OFCDs shall be unsecured and bear no interest.

**ii. Percentage of post-preferential issued capital that may be held by the proposed allottee:**

<b>Allottees</b>	<b>No. of Equity Shares to be held</b>	<b>% of post issue equity capital</b>
M/s. Sai Creation, acting through its Partners, Mr. Deepak Balkrishna Lokare, and Mrs. Savita Deepak Lokare	20,00,000 (Twenty Lac) equity shares	10.84

**iii. Change in Control:**

The existing Promoters of the Company will continue to be in control of the Company and there will not be any change in the management or the control of the Company as a result of the proposed preferential allotment, except a corresponding change in the shareholding pattern as well as the voting rights.

**g) Auditor’s Certificate:**

It is proposed to obtain a certificate from M/s. S.M. Kapoor & Co., Chartered Accountants, the Statutory Auditors of the Company, certifying that the proposed preferential issue of the Securities is being made in accordance with the requirements contained in Chapter VII of the SEBI ICDR Regulations and the same shall be placed before the shareholders at the Annual General Meeting.

**h) Undertaking of the Company:**

The Company hereby undertakes that:

- (i) It shall re-compute the price of the OFCDs specified above in terms of the provisions of the SEBI ICDR Regulations, 2009, where it is required to do so.
- (ii) If the amount payable on account of any such re-computation of price is not paid within the time stipulated in the SEBI ICDR Regulations the above specified Securities shall continue to be lock-in till the time such amount is paid by Allottee.

**i) Lock-in**

The Equity Shares to be issued and allotted as a result of conversion of OFCDs, shall be subject to lock-in in accordance with Chapter VII of SEBI ICDR Regulations, provided that the period of lock-in will be reduced to the extent the convertible securities have already been locked-in as per the provisions of SEBI ICDR Regulations;

## VENTURA TEXTILES LIMITED



**i) The Company has not made any preferential issue of securities during the current financial year.**

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

The Board recommends the resolution at item No.5 for approval by the members as a Special Resolution.

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.

**Registered Office:**

211 / 212, Midas, Sahar Plaza,  
J. B. Nagar, Andheri (East),  
Mumbai – 400 059.  
email-id:mkt2@venturatextiles.com

Date: 24<sup>th</sup> August, 2016

Place: Mumbai

**On behalf of Board of Directors of  
Ventura Textiles Limited**

**P. M. Rao**

Chairman & Managing Director

DIN: 00197973

### 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-19.40% 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**

**ADDITIONAL INFORMATION PURSUANT TO REGULATION 36(3) OF THE LISTING REGULATIONS IN RESPECT OF DIRECTOR SEEKING APPOINTMENT/ RE-APPOINTMENT IN THE 46<sup>TH</sup> ANNUAL GENERAL MEETING:**

<b>1. Name of the Director</b>	<b>Mr. Mohan Rao Penugonda</b>	<b>Mr. Abhijit Rao</b>
<b>2. Director Identification Number (DIN)</b>	00197973	00189126
<b>3. Date of Birth/Age</b>	67 Years	36 Years
<b>4. Date of appointment</b>	05 <sup>th</sup> April, 1993	01 <sup>st</sup> November, 2006
<b>5. Qualifications &amp; Expertise in specific functional area</b>	B. Com	Graduate from American International University; London, with specialization in 'Marketing.
<b>6. Relationship with other Directors inter-se</b>	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.
<b>7. Remuneration last drawn</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, 2013
<b>8. Directorships in other Public Companies as on the date of appointment</b>	NIL	NIL
<b>9. Member of the committees of Director of the Company</b>	Stakeholders' Relationship Committee	Nomination and Remuneration Committee
<b>10. Chairman/Member of the Committees of other Companies as on the date of appointment</b>	NIL	NIL
<b>11.No. of Meetings of the Board attended during the year</b>	Refer Corporate Governance Report annexed to the Board's Report	Refer Corporate Governance Report annexed to the Board's Report
<b>12.Shareholding, if any, in the Company as on the date of appointment as required under Regulation 36 (3) (e)</b>	Nil	NIL

**BOARD'S REPORT**

To  
The Members  
**VENTURA TEXTILES LIMITED**

Your Directors present herewith the 46<sup>th</sup> Annual Report together with the Audited Financial Statements for the Financial Year ended 31<sup>st</sup> March, 2016. The summarized performance during the year is as under:

**FINANCIAL RESULTS:** (Rs. In Lakhs)

<b>PARTICULARS</b>	<b>31<sup>st</sup> March, 2016</b>	<b>31<sup>st</sup> March, 2015</b>
Sales	5.06	9.49
Other Income	105.89	642.05
Total Income	110.95	651.54
Expenditure	63.98	72.78
Profit Before Interest, Depreciation & Tax	46.97	578.76
Interest	Nil	297.04
Depreciation	45.03	50.34
Profit Before Tax	1.94	231.38
Exceptional Income/Prior Period Adjustment	Nil	Nil
Profit After Tax	1.94	231.38

**PERFORMANCE REVIEW:**

During the year under review, the Company has earned total revenue of Rs.110.95 Lakhs, out of which income from operation is Rs.5.06 Lakhs as compared to Rs.9.49 Lakh in the previous year and other income is Rs.105.89 Lakhs as compared to Rs.642.05 Lakhs in the previous year. Company earned a profit after tax of Rs. 1.94 Lakhs as compared to a profit of Rs. 231.38 Lakhs in the previous year.

**DIVIDEND:**

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 2015-16. The Company did not transfer any amount to reserves for the Financial Year ended 2015-16.

**SHARE CAPITAL:**

The Paid up share capital of the company as on 31<sup>st</sup> March, 2016 was Rs.1644.07 Lakhs. During the year under review, the Company did not issue any shares with or without differential voting rights and has not granted any Stock Option or Sweat Equity. As on 31<sup>st</sup> March, 2016, none of the Directors of the Company hold instruments convertible into equity shares of the Company.

**BUSINESS OUTLOOK AND FUTURE PROSPECTS:**

The Company is planning to re-start its Open End Spinning Division 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.

**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 2015-16:**

During the year under review, four (4) 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 all the Independent Directors confirming that they meet the criteria of Independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as "SEBI (LODR)".

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 2015-16:**

No changes have taken place in the Board of Directors of the Company during the year 2015-16.

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. Mohan Rao Penugonda, Managing Director, as a Whole-time Key Managerial Personnel of the Company and has appointed Mr. Abhijit Rao Penugonda, 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 and also on account of the Company's operations to restart, the Company could not appoint a Woman Director and a Whole-Time Company Secretary.

Mr. Mohan Rao Penugonda (DIN: 00197973), Managing 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 46<sup>th</sup> AGM. Your Directors recommend his re-appointment.

**AUDIT COMMITTEE:**

Pursuant to the Provisions of Section 177 (8) of the Companies Act, 2013, read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, and Regulation 18 of SEBI (LODR), 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.

The details with respect to meetings of the Audit Committee held during the year 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.

### VIGIL MECHANISM:

Pursuant to the provisions of Section 177 (9) & (10) of the Companies Act, 2013 read with Rule 7 of the Companies (Meetings of the Board and its Power) Rules 2014, and Regulation 22 of SEBI (LODR), the Company has adopted Vigil Mechanism Policy, the details of which have been provided in the Corporate Governance Report and the same has been posted on the website of the Company: [www.venturatextiles.com](http://www.venturatextiles.com).

### NOMINATION AND REMUNERATION COMMITTEE:

The Company has constituted the Nomination & Remuneration Committee comprising of 3 (three) 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 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2014, and Regulation 19 of SEBI (LODR). 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 [www.venturatextiles.com](http://www.venturatextiles.com).

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

As at 31<sup>st</sup> March, 2016, 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.

No meeting of the Committee was held during the year on account of Nil Complaint.

### 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, 2016, 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 Companies Act, 2013 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 Regulation 34 read with Schedule V of SEBI (LODR), a separate section on Corporate Governance practices followed by the Company together with a Certificate from the Company's Auditors confirming compliance forms an integral part of this Report.

**PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (LODR), the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committee.

**PARTICULARS OF EMPLOYEES AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:**

There are no employees 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 pursuant to Section 188 and Section 134 (3) (h) of the Companies Act, 2013, except those mentioned in the notes to the financial statements.

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.

**RISK MANAGEMENT**

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. The Board periodically reviews the risk, if any, and ensure to take necessary steps for its mitigation.

## STATUTORY AUDITORS

M/s. S. M. Kapoor & Co., Chartered Accountants, Firm Registration No. 104809W, 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 by the members at the ensuing Annual General Meeting of the Company.

## AUDITORS' REPORT

The Auditors' Report does not contain any qualifications, reservations or adverse remark, except disclaimer clause as stated at 'S.No. f' of 'Report on other Legal and Regulatory Requirements' forming part of Independent Auditors' Report viz.,

*With respect to the adequacy of the internal financial controls, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.*

**Management Reply:** The Management has devised proper systems to ensure compliance with the provisions of all applicable laws including adequacy of the internal financial controls and ensure such systems are adequate and operating effectively, to the extent possible considering the weak financial position of the Company.

The Board of Directors are taking best efforts to turn-around the Company's operations and its financial stability in near future.

The Statutory Auditors of the Company have not reported any fraud as specified under the second proviso of Section 143(12) of the Companies Act, 2013 (including any statutory modification(s) or re-enactment for the time being in force).

## 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 the 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 2015-16, as required under Section 204 of the Companies Act, 2013 and read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit report for financial year 2015-16 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 Second Proviso of Section 149 (1) of the Companies Act, 2013 read with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014:*

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.

- 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 and the consequent non-compliances of other Sections like Section 134 etc.*

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, and other applicable Sections like Section 134 etc.

- 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 Directors:*

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.

- d) *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.

The delay in filing of returns, including Reconciliation of Share Capital Audit Report to Stock Exchange occurred due to non-availability of data.

e) *The Company did not pay listing fees to the Stock Exchange.*

Due to weak financial position of the Company, the Company is finding it difficult to pay the listing fees to the Stock Exchange.

f) *The Company has not filed necessary e-form with respect to the appointment of Internal Auditor under the Companies Act, 2013*

The Company has initiated necessary action with respect to filing of e-form with respect to the appointment of Internal Auditor under the Companies Act, 2013

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

Management Discussion and Analysis Report for the financial year under review, as stipulated under Regulation 34 of SEBI (LODR) is presented in a separate section forming part of the Annual Report.

**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.

**DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

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

**DETAILS ON INTERNAL FINANCIAL CONTROLS RELATED TO FINANCIAL STATEMENTS:**

Your Company has adopted accounting policies which are in line with the Accounting Standards prescribed in the Companies (Accounting Standards) Rules, 2006 that continue to apply under Section 133 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. These are in accordance with generally accepted accounting principles in India. Changes in policies, if any, are approved by the Audit Committee in consultation with the Auditors.

**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.

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

**Place: Mumbai**  
**Date: 13<sup>th</sup> August, 2016**

Sd/-  
**P. M. Rao**  
Chairman and Managing Director  
DIN: 00197973

**CORPORATE GOVERNANCE REPORT**

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2016, in terms of Regulation 34 read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 hereinafter referred to as the "SEBI (LODR)".

**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 Regulation 34(3) of the "SEBI (LODR)", 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, 2016, the strength of the Board of Directors was 4 (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 expected to turn around by end of this financial year i.e. 2016-17, 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 Regulation 17(1) (a) of the "Listing Regulation" and Second Proviso to Section 149(1) of Companies Act, 2013.

**Meetings of the Board of Directors:**

The Board meets at least once in every quarter and the time gap between two meetings is not more than 120 days. During the financial year 2015-16, Four meetings of the Board of Directors of your Company were held on 30<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 14<sup>th</sup> November, 2015 and 10<sup>th</sup> February, 2016.

**Directors Attendance Record and Directorships held:**

The composition and category of the Board of Directors during the financial year ended on March 31, 2016, details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2015-16 along with the details in respect of Directorships and committee positions of each director in other Companies where he/she is a member/ Chairperson are presented in the following table:

# VENTURA TEXTILES LIMITED



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	4	4	Yes	1	–	–
Mr. Abhijit Rao DIN: 00189126	Executive Director & CFO	4	4	Yes	1	–	–
Mr. P.R. Bhargava DIN: 00763819	Independent & Non-Executive Director	4	4	Yes	1	–	–
Mr. Shyam R. Karmarkar DIN: 01365616	Independent & Non-Executive Director	4	4	Yes	–	–	–

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

@This includes memberships of only Audit Committee and Stakeholders Relationship Committee.

There is no inter-se relationship among the Directors except Mr. P.M. Rao (Chairman & Managing Director) who is father of Mr. Abhijit Rao (whole-Time Director & C.F.O) of the Company.

None of the Non Executive Directors hold any shares in the Company.

## Details of Board Meetings/ Annual General Meeting:

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

The Annual General Meeting of the Financial Year ended on March 31, 2015 was held on 30<sup>th</sup> September, 2015. Details regarding the attendance of the Directors at the Board Meetings and the Annual General Meeting held during the financial year 2015-16 are presented in the following table:

Name of the Director	Board Meetings held on and attendance details				Whether AGM Attended 2015 (Yes/No/N.A.)
	30/05/2015	14/08/2015	14/11/2015	10/02/2016	30/09/2015
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

## Independent Director's Meeting:

Clause VII of Schedule IV of Companies Act, 2013 and Regulation 25 of SEBI (LODR) require every Company to convene a separate meeting of the Independent Directors.

During the year, the Independent Directors met on February 10, 2016 to:

Review the performance of the Chairman;

Review the performance of Non-Independent Directors and the Board as a whole; and

Assess quality, quantity and timeliness of flow of information between the Company management and the Board that it is necessary for the Board to effectively and reasonably perform their duties.

All the Independent Directors were present at the Meeting.

## a) Codes and Policies:

We strive to conduct our business and strengthen our relationships in a manner that is dignified, distinctive and responsible. We adhere to ethical standards to ensure integrity, transparency, independence and accountability in dealing with all stakeholders. Therefore, we have adopted various codes and policies to carry out our duties in an ethical manner. Some of these codes and policies are:

- ❖ Code of Conduct;
- ❖ Code of Conduct for Prohibition of Insider Trading;
- ❖ Policy for Disclosure of Unpublished Price Sensitive information
- ❖ Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions;
- ❖ Nomination & Remuneration Policy;
- ❖ Policy for Determination of materiality of information;
- ❖ Policy for Preservation of Documents;
- ❖ Archival Policy; and
- ❖ Policy on Diversity of Board.

## Company's 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, 2016. 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, 2016, 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, 2016. A declaration to this effect as signed by the Managing Director is given below:

*This is to certify that in line with the requirement of Regulation 26(3) of the SEBI (LODR), 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 2015-16.*

Sd/-

**P.M. Rao**

**Managing Director**

**DIN: 00197973**

## Audit Committee

### Brief Description and Terms of Reference:

The Audit Committee of the Company has been constituted in line with the provisions of Regulation 18 of the SEBI (LODR) and 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 for appointment, remuneration and terms of appointment of auditors of the Company;
- Approval of payment to statutory auditors for any other services rendered, if authorized by the Board;
- Review and monitor the auditor's independence and performance and effectiveness of audit process;
- Review with the Management the quarterly/ annual financial statements and Auditor's Report before the submission to the Board for approval;
- 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;
- To review the functioning of whistle blower mechanism;
- Disclosure of contingent liabilities; and
- Carrying out any other function as mentioned in the terms of reference of the audit committee.

### 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 meetings of the Audit Committee were held on 30<sup>th</sup> May, 2015, 14<sup>th</sup> August, 2015, 14<sup>th</sup> November, 2015 and 10<sup>th</sup> February, 2016.

The Composition of the Audit Committee as on 31<sup>st</sup> March, 2016 and attendance of the members in the meetings held during the financial year 2015-16 is as under:

Name of Member	Category	Audit Committee Meetings held and attendance			
		30/05/2015	14/08/2015	14/11/2015	10/02/2016
Mr. Shyam R. Karmarkar	Chairman (Independent Director)	Yes	Yes	Yes	Yes
Mr. P. R. Bhargava	Member (Independent Director)	Yes	Yes	Yes	Yes
Mr. Abhijit Rao	Member (Executive Director)	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 requirements of the Committee.

In addition to above, the Committee also reviews other matters as may be required under the SEBI (LODR) and other Laws, Rules and Regulations.

**Nomination & Remuneration Committee:**

In compliance with Section 178 of the Companies Act, 2013, erstwhile Listing Agreement and SEBI (LODR) Regulations, 2015, the Board has constituted the Nomination and Remuneration Committee ("NRC").

**The terms of reference of the NRC inter alia, includes:**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the Directors, Key Managerial Personnel (KMP) and other employees;
- Lay down criteria for identifying and selection of candidates for appointment as Directors/ Independent Directors and KMP and other Senior Management positions;
- To recommend to the Board, appointment, removal of Directors, Senior Management Personnel and KMP in accordance with the criteria laid down;
- Succession planning of the Board of Directors and Senior Management Employees;
- Recommendation to the Board on remuneration of Managing Director/Executive Directors/KMP and also revision in remuneration;
- Formulation of the criteria for evaluation of performance of every Director and carry out performance evaluation of Directors and to recommend to the Board on whether to extend or continue the term of appointment of Independent Director;
- Devising a policy on Board Diversity; and
- Formulate and review the policy for selection and appointment of Directors, Key Managerial Personnel and senior management employees and their remuneration.

**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 turnaround 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 10<sup>th</sup> February, 2016.

The Composition of the Nomination & Remuneration Committee and attendance of the members in the meeting held during the financial year 2015-16 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	No

**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 Committee thereof attended by them.

The details of remuneration paid/payable to Directors of the Company during the financial year 2015-2016 is as under:

(Amount in Lakhs)

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	—	4.4*	—	4.4*

\* Rent free Accomodation

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 Independent 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 was no meeting held on account of Nil Complaint received.

The Composition of the Committee as on 31<sup>st</sup> March, 2016 is as under:

Name of Member	Designation
Mr. Shyam R. Karmarkar	Non-Executive -Independent Director, Chairperson
Mr. Mohan Rao Penugonda	Executive Director, Member
Mr. P. R. Bhargava	Non-Executive -Independent Director, 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. Sachin Sharma was the Compliance Officer in terms of the requirement of the stock Exchange who liaisons and monitors the activities of the Share Transfer Agent.

(iii) Details of Complaints received/ resolved during the financial year 2015-16:

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

#### **SEBI Complaints Redress System (SCORES)**

The investor complaints are processed in a centralised web based complaints redressal system. The salient features of this system are Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned company and online viewing by investors of actions taken on the complaint and its current status.

Your Company has been registered on SCORES Portal and makes every effort to resolve all investor complaints received through SCORES or otherwise within the statutory time limit from the receipt of the complaint.

The Company reports that there are no equity shares lying in the Demat Suspense Account / Unclaimed Suspense Account.

#### **PERFORMANCE EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015, 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 of Directors.

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

The Company has in place Familiarisation Programme for Independent Directors to familiarize them about the Company and their role, rights and responsibilities in the Company. The Familiarisation Programme and details of Familiarisation Programme imparted during 2015-16 are uploaded on the website of the Company and can be accessed through website [www.venturatextiles.com](http://www.venturatextiles.com).

**General body Meetings:**

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

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

Financial Year	Date	Time	Location	Special resolution passed
2014-15	30/09/2015	10.00 am	211/212, Midas, Sahar Plaza, J. B. Nagar, Andheri (East), Mumbai - 400 059.	<ol style="list-style-type: none"> <li>1. Creation of mortgage, pledge, charge on the assets of the Company under Section 180(1)(a) of the Companies Act, 2013.</li> <li>2. Approval of Borrowing Limit under Section 180(1)(c) of the Companies Act, 2013.</li> <li>3. 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.</li> <li>4. 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.</li> </ol>
2013-14	30/09/2014	3.00 pm	211/212, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai- 400059.	NIL
2012-13	30/09/2013	3.00 pm	313, Midas, Sahar Plaza, J.B. Nagar, Andheri (East), Mumbai-400059	NIL

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

# VENTURA TEXTILES LIMITED



## 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 Active Times in English and Mumbai Lakshadeep, 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 Exchange and also displayed on the Company's website [www.venturatextiles.com](http://www.venturatextiles.com).

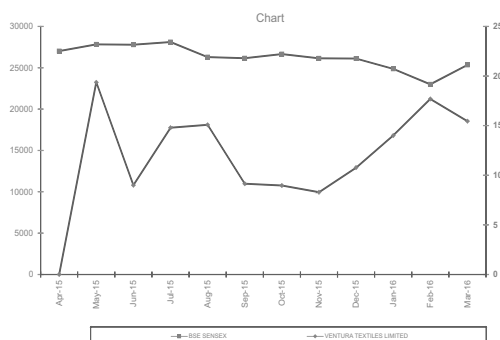
## GENERAL SHAREHOLDER INFORMATION:

Day, Date and Time of AGM	Friday, 23 <sup>rd</sup> September, 2016 at 10.00 a.m.
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, 2016	First fortnight of August, 2016
Financial reporting for the quarter ending September 30, 2016	First fortnight of November, 2016
Financial reporting for the quarter ending December 31, 2016	First fortnight of February, 2017
Financial reporting for the quarter ending March 31, 2017	Last fortnight of May, 2017
Date of Book Closure	17 <sup>th</sup> September, 2016 (Saturday) to 23 <sup>rd</sup> September, 2016 (Friday)

## Listing on Stock Exchanges and Scrip Code:

The Company's shares have been listed on the following exchange:

- BSE Ltd. (BSE), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001. Scrip Code: 516098
- Performance in comparison to broad based indices of BSE Sensex



## VENTURA TEXTILES LIMITED



iii. Market Price Data for 2015-16: The monthly high and low quotations and volume of shares traded on BSE from 19<sup>th</sup> May, 2015 upto 31<sup>st</sup> March, 2016 is as follows:

Month	BSE	
	High Price (Rs.)	Low Price (Rs.)
May, 2015	24.99	19.37
June, 2015	18.45	7.80
July, 2015	15.42	7.71
August, 2015	16.00	14.22
September, 2015	16.40	9.05
October, 2015	8.97	7.48
November, 2015	9.59	7.00
December, 2015	10.77	8.70
January, 2016	14.00	10.50
February, 2016	17.87	13.30
March, 2016	17.40	15.45

### 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:

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

### 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.

### Shareholding pattern as on 31<sup>st</sup> March, 2016:

Category	Number of Shares	Percentage (%)
Promoter and Promoter Group	1,21,03,773	73.56
Clearing Members	11,650	0.07
Mutual Funds/UTI	43	0.00
Financial Institutions	9,87,325	6.00
Other Bodies Corporate	3,72,479	2.26
Foreign Company	1,25,000	0.76
Non Resident Indians	88,562	0.54
Public / Others	27,19,290	16.53
Hindu Undivided Family	3,786	0.02
Non Nationalised Banks	41,381	0.25
<b>Total</b>	<b>1,64,53,289</b>	<b>100.00</b>

## OTHER 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 regularly. The RPT Policy is placed on the Company's website i.e. [www.venturatextiles.com](http://www.venturatextiles.com).

### b) **Policy For 'Material' Subsidiaries**

There are no material subsidiaries of the Company; hence the Policy determining 'Material' Subsidiaries is not applicable to the Company.

### c) **Accounting Treatment:**

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

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

The Company has complied with the 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 under SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 to the extent possible, considering the weak financial position of the Company.

### e) **Share Capital Audit:**

Pursuant to Regulation 40(9) of the SEBI (LODR) 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.

Pursuant to Regulation 55A of SEBI (Depositories and Participants) Regulations, 1996, 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).

### f) **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).

### g) **CEO/ CFO Certification**

Pursuant to Regulation 17(8) of SEBI (LODR), 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 31<sup>st</sup> March, 2016 is provided as attachment to this Corporate Governance Report.

**h) Details of compliance with mandatory requirements and adoption of the non – mandatory requirements:**

The Company is in compliance with all mandatory requirements of the SEBI (LODR) Regulations (earlier Listing Agreement), to the extent applicable

The Company has adopted the following non-mandatory recommendations of Regulation 27 read with Part E of schedule II of the SEBI (LODR).

**A. Shareholder Rights:**

The Company’s half- yearly results are published in leading English and Marathi newspapers and also uploaded on the website of the Company, hence the same are not sent to the Shareholders of the Company.

**B. Modified opinion(s) in audit report:**

There are no qualifications in the Audit Report.

**C. Reporting of internal auditor:**

The Internal Auditors of the Company are present in each Audit Committee Meeting and directly interacts with Audit Committee Members.

**i) Commodity Price Risk and Commodity Hedging Activities**

The Company has not yet commenced the Business operations, hence the disclosure with respect to commodity price risk and commodity hedging activities are not applicable to the Company.

**j) Disclosure of the compliance with Corporate Governance Requirements specified in Regulation 17 To 27 and Clauses (b) to (i) of Regulation 46(2) of SEBI (LODR)**

The Company has duly complied with the requirements of Corporate Governance specified in Regulation 17 to 27 and clauses (b) to (i) of Regulation 46(2) of the SEBI (LODR) Regulations to the extent applicable which forms part of this Annual Report.

**k) Distribution of Shareholding as on 31<sup>st</sup> March, 2016:**

Shareholding Class	No. of Shareholders	Total Holding in Shares (Amount)	Percentage of Total Holders (%)	Percentage of Total Shares (%)
1 - 5000	9216	3663230	97.26	2.23
5001 – 10000	120	842150	1.27	0.51
10001- 20000	67	913870	0.71	0.56
20001- 30000	24	580950	0.25	0.35
30001- 40000	15	491500	0.15	0.30
40001- 50000	9	401050	0.10	0.24
50001-100000	12	852430	0.12	0.52
100001- above	13	156787710	0.14	95.29
<b>TOTAL</b>	<b>9476</b>	<b>164532890</b>	<b>100.00</b>	<b>100.00</b>

**l) DISCLOSURE OF NON – COMPLIANCE OF ANY REQUIREMENT OF CORPORATE GOVERNANCE REPORT WITH REASONS THEREOF**

The Company has duly complied with the requirements of Corporate Governance Report forming part of this Annual Report as per the provisions of Schedule V of Regulation 34(3) of the SEBI (LODR).

**m) Dematerialization of shares and liquidity:**

98.99 % of shares of your Company are held in the electronic mode as on June 30, 2016.

**n) 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.

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

CIN of the Company, allotted by the Ministry of Corporate Affairs, Government of India is **L21091MH1970PLC014865**

**p) Plant Location:**

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

**q) Address for Correspondence:**

The Shareholders may address their queries and communications to:

**Registered Office:** 211-212, Midas, Sahar Plaza, J. B. Nagar, Andheri - Kurla Road, Andheri (East), Mumbai 400059 Ph : ( 022) 2834 4453 Email: mkt2@venturatextiles.com

**Registered Office:**

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

Tel No: 022-2834 4453  
Fax No.: 022-2835 1974  
DIN: 00197973  
email-id: mkt2@venturatextiles.com  
Website: www.venturatextiles.com

Date: 13<sup>th</sup> August, 2016

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

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

**DECLARATION**

**CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) ON FINANCIAL STATEMENTS OF THE COMPANY:**

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, 2016 and that to the best of our knowledge and belief:
- i) These statements do not contain any materially 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 year 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, 2016.
- 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 over financial reporting during the year;
  - 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.

Date : 30<sup>th</sup> May, 2016

Sd/-  
Mohan Rao Penugonda  
Managing Director  
DIN: 00197973

Sd/-  
Abhijit Rao Penugonda  
Director (CFO)  
DIN: 00189126



**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, 2016, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges for the period from April 01, 2015 to November 30, 2015 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period from December 01, 2015 up to March 31, 2016.

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 SEBI (LODR) Regulation, 2015 except the following Compliances viz.:

1. *There were generally delay in filing of Reconciliation of Share Capital Audit Report to Stock Exchange;*
2. *The Company has not appointed a woman director and has therefore not been compliant with the Second 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 Regulation 17 of the SEBI (LODR) Regulations, 2015;*
3. *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; and accordingly there are non compliances with respect to signing of financial statements and other applicable laws;*
4. *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; and*
5. *Due to financial crises, the Company is yet to establish systems to ensure adequate and effective compliance with the provisions of all applicable laws.*

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

Sd/-  
Sekhar Gupta  
Partner  
Membership No.15622

Place: Mumbai  
Date: August 13, 2016

# VENTURA TEXTILES LIMITED



FORM NO. MGT 9

Annexure 1

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	L21091MH1970PLC014865
ii)	Registration Date	November 3, 1970
iii)	Name of Company	Ventura Textiles Limited
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.: 022-28214425 / 39
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 : jiny.elizabeth@linkintime.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:-

	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	100
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

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

# 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</b>									
<b>1) Indian</b>									
a) Individual/ HUF									
b) Central Govt	0	0	0	0.00	0	0	0	0.00	-
c) State Govt(s)	0	0	0	0.00	0	0	0	0.00	-
d) Bodies Corp.	12103773	0	12103773	73.5645	12103773	0	12103773	73.5645	-
e) Banks / FI	0	0	0	0.00	0	0	0	0.00	-
f) Any Other									
i. Directors Relatives	0	0	0	0.00	0	0	0	0.00	-
ii. Group Companies	0	0	0	0.00	0	0	0	0.00	-
iii. Trusts	0	0	0	0	0	0	0	0	-
<b>SUB TOTAL(A)(1)</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>-</b>
<b>2) Foreign</b>									
g) NRIs-Individuals	0	0	0	0.00	0	0	0	0.00	-
h) Other-Individuals	0	0	0	0.00	0	0	0	0.00	-
i) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	-
j) Banks / FI	0	0	0	0.00	0	0	0	0.00	-
k) Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	-
k) Any Other(Specify)	0	0	0	0.00	0	0	0	0.00	-
<b>Sub-total(A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>-</b>
<b>Total holding for promoters(A) = (A)</b>									
<b>(1) + A(2)</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>-</b>
<b>Total (A) + (B)</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>12103773</b>	<b>0</b>	<b>12103773</b>	<b>73.5645</b>	<b>-</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds/UTI	0	43	43	0.00	0	43	43	0.00	0.00
b) Banks / FI	41381	0	41381	0.2517	41381	0	41381	0.2517	0.00
c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
h) Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i) Others (specify)	1367601	128853	1496454	9.0952	1367601	128853	1496454	9.0952	0.00
<b>Sub-total (B)(1)</b>	<b>1408982</b>	<b>128896</b>	<b>1537878</b>	<b>9.3469</b>	<b>1408982</b>	<b>128896</b>	<b>1537878</b>	<b>9.3469</b>	<b>0.00</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.									
b) Individuals (i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	695069	24221	719290	4.3717	695069	24221	719290	4.3717	0.00
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	2000000	-	2000000	12.1556	2000000	-	2000000	12.1556	0.00
c) Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
d) Any others (Specify)	-	-	-	-	-	-	-	-	-
i) HUF	3786	0	3786	0.0230	3786	0	3786	0.0230	0.00
ii) Clearing Member	-	-	-	-	-	-	-	-	-
iii) Directors Relatives									
iv) Employee									
v) N.R.I.	75937	12625	88562	0.5383	75937	12625	88562	0.5383	0.00
vi) Overseas Bodies Corporate	-	-	-	-	-	-	-	-	-
vii) Unclaimed Suspense Account	-	-	-	-	-	-	-	-	-
<b>Sub-total(B)(2)</b>	<b>2774792</b>	<b>36846</b>	<b>2811638</b>	<b>17.0886</b>	<b>2774792</b>	<b>36846</b>	<b>2811638</b>	<b>17.0886</b>	<b>0.00</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>									
<b>Total(A)+(B)</b>	<b>4183774</b>	<b>165742</b>	<b>4349516</b>	<b>26.4355</b>	<b>4183774</b>	<b>165742</b>	<b>4349516</b>	<b>26.4355</b>	<b>0.00</b>
C.Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
<b>SUB TOTAL(C)(1)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Grand Total (A+B+C)</b>	<b>16287547</b>	<b>165742</b>	<b>16453289</b>	<b>100.0000</b>	<b>16287547</b>	<b>165742</b>	<b>16453289</b>	<b>100.0000</b>	<b>-</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 and Investments Private limited	7686858	46.7193	-	7686858	46.7193	-	-
2.	Indo - Gulf Financials Limited	3285000	19.966	-	3285000	19.966	-	-
3.	Ventura Texports Private Limited	1131915	6.880	-	1131915	6.880	-	-
	<b>Total</b>	<b>12103773</b>	<b>73.5645</b>	<b>-</b>	<b>12103773</b>	<b>73.5645</b>	<b>-</b>	<b>-</b>

**(iii) Change in Promoters' Shareholding: There is no change in the shareholding of Promoters.**

Sl. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	12103773	73.5645	12103773	73.5645
	At the end of the year	12103773	73.5645	12103773	73.5645

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

Sl. No.	Name of Shareholders		Shareholding		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Rita J. Bhuta</b>					
		At the beginning of the Year	2000000	12.1556	2000000	12.1556
		Bought during the year	0	0.0000	0	0.0000
		Sold during the Year	0	0.0000	0	0.0000
		At the end of the Year	2000000	12.1556	2000000	12.1556
<b>2.</b>	<b>J.M. Financial Asset Reconstruction Co. Private Limited</b>					
		At the beginning of the Year	9,87,325	6.0000	9,87,325	6.0000
		Bought during the year	0	0	0	0
		Sold during the Year	0	0	0	0
		At the end of the Year	9,87,325	6.0000	9,87,325	6.0000
<b>3.</b>	<b>Reliance Capital Limited</b>					
		At the beginning of the Year	321875	1.9562	321875	1.9562
		Bought during the year	0	0.00	0	0.00
		Sold during the Year	0	0.00	0	0.00
		At the end of the Year	321875	1.9562	321875	1.9562
<b>4.</b>	<b>Dome Investment Limited</b>					
		At the beginning of the Year	125000	0.760	125000	0.760
		Bought during the year	0	0.00	0	0.00
		Sold during the Year	0	0.00	0	0.00
		At the end of the Year	125000	0.760	125000	0.760
<b>5.</b>	<b>Haragopal Kusuma Penugonda</b>					
		At the beginning of the Year	62500	0.3799	62500	0.3799
		Bought during the year	0	0.0000	0	0.0000
		Sold during the Year	0	0.0000	0	0.0000
		At the end of the Year	62500	0.3799	62500	0.3799

# VENTURA TEXTILES LIMITED



Sl. No.	Name of Shareholders		Shareholding		Cumulative Shareholding during the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>6. IDBI Bank Limited</b>						
		At the beginning of the Year	41381	0.2515	41381	0.2515
		Bought during the year	0	0.0000	0	0.0000
		Sold during the Year	0	0.0000	0	0.0000
		At the end of the Year	41381	0.2515	41381	0.2515
<b>7. Vijay Agarwal</b>						
		At the beginning of the Year	14825	0.901	14825	0.901
		Bought during the year	0	0	0	0
		Sold during the Year	0	0	0	0
		At the end of the Year	14825	0.901	14825	0.901
<b>8. Rashmi Garodia</b>						
		At the beginning of the Year	9398	0.0571	9398	0.0571
		Bought during the year	0	0	0	0
		Sold during the Year	0	0	0	0
		At the end of the Year	9398	0.0571	9398	0.0571
<b>9. Chhotalal Ramjibhai Bhandari</b>						
		At the beginning of the Year	9530	0.0563	9530	0.0563
		Bought during the year	0	0	0	0
		Sold during the Year	260	0.001	260	0.001
		At the end of the Year	9270	0.0563	9270	0.0563
<b>10. Nalluri Chandrashekarani Murthy</b>						
		At the beginning of the Year	9375	0.0570	9375	0.0570
		Bought during the year	0	0	0	0
		Sold during the Year	0	0	0	0
		At the end of the Year	9375	0.0570	9375	0.0570

(v) Shareholding of Directors & Key Managerial Personnel:

Sl. No.	Shareholding of each directors and each key Managerial Personnel	Shareholding at the beginning of the year (01.04.2015)		Cumulative Shares during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr. P.M. Rao</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil
<b>2.</b>	<b>Mr. Abhijit Rao</b>				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

V. INDEBTEDNESS

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

(Amount in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	141,000,000	0.00	0.00	141,000,000
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not	0.00	0.00	0.00	0.00
<b>Total (i+ii+iii)</b>	<b>141,000,000</b>	<b>0.00</b>	<b>0.00</b>	<b>141,000,000</b>
Change in Indebtedness during the financial year				
- Addition	0.00	0.00	0.00	0.00
- Reduction	(14,10,00,000)	0.00	0.00	14,10,00,000
<b>Net Change</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
Indebtedness at the end of the financial year				
i) Principal Amount	0.00	0.00	0.00	0.00
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due		0.00	0.00	
<b>Total (i+ii+iii)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</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 (in 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	Nil	Nil	Nil
	(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	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission - as % of profit - others, specify			
5	Others, please specify (Rent free accommodation)	Nil	4,40,000	4,40,000
	Total (A)	Nil	4,40,000	4,40,000

B. *Remuneration to other directors:*

Sl. No.	Particulars of Remuneration	Name of Directors		Total Amount (in Rs.)
		Mr. Shyam R. Karmarkar	Mr. P. R. Bhargava	
1	<b>Independent Directors</b>			
	Fee for attending board committee meetings	16000	16000	32000
	Commission	-	-	-
	Others, specify	-	-	-
	<b>Total (1)</b>	<b>16000</b>	<b>16000</b>	<b>32000</b>



**C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD**

	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary*	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (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	NIL	Nil	Nil
2.	Stock Option	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission -as % of profit -others, specify...	- NIL	- NIL	- NIL
5.	Others, please specify	NIL	NIL	NIL
	<b>Total</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

\*The Company is yet to appoint Company Secretary

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

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/ NCLT/COURT]	Appeal made if any (give Details)
<b>A. COMPANY</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>B. DIRECTORS</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL	NIL
Compounding	NIL	NIL	NIL	NIL	NIL

**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, 2016

To

**The Members**

**Ventura Textiles Limited**

211/ 212, Midas, Sahar Plaza

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

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, 2016, 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, 2016 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,
- (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, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 {Applicable with effect from 01<sup>st</sup> December, 2015};

- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable for the year under review)**;
  - (e) 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)**;
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable for the year under review)** and
  - (g) 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)**;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable for the year under review)**; and
  - (i) The Securities and Exchange Board of India (Buy Back 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 with respect to the above laws applicable to the Company could not be verified on account of non-operational status of the factory premises)*

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India (Notified with effect from 01<sup>st</sup> July, 2015); and
- (ii) The Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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 Second 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 Regulation 17 of the SEBI (LODR) Regulations;*
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 and the consequent non-compliances of other Sections like Section 134 etc.*
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 e-form with respect to the appointment of Internal Auditor under the Companies Act, 2013;*
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;and*
6. *The Company has not paid annual listing fees to the Stock Exchange for the financial year 2015-16 and 2016-17.*

With respect to delay in filings of E-forms with the Ministry of Corporate Affairs, the Company has 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.

**I further report that** except the major decisions taken by the members with respect to the creation of mortgage, pledge, charge on the assets of the Company under Section 180 (1) (a) of the Companies Act, 2013 and approval of borrowing limit under Section 180 (1) (c) of the Companies Act, 2013, there were **no other major events** during the year under review viz.:

- (i) Public/Right/sweat equity shares;
- (ii) Redemption / Buy-back of securities;
- (iii) Merger / amalgamation / reconstruction, etc.; and
- (iv) 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

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

Place: Mumbai  
Date: 13<sup>th</sup> August, 2016

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

With the continuous fluctuating cotton prices on the raw material front, the Cotton Textile Industry during the year under review faced several ups and downs.

The Government of Maharashtra continued to support the Textile Industry with incentives to promote Investments in the State.

**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.

With E-commerce in place, off take of various Textile product in the retail sector is spreading among the middle class that will spur further growth.

On the Export front, a favourable exchange rate and increased demand will encourage the Industry.

**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.

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:** 13<sup>th</sup> August, 2016

**INDEPENDENT AUDITORS' REPORT**

To the Members of  
**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, 2016, 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 and presentation 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 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 adequate 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 there under.

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, 2016;
- 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

In our opinion and the best of our information and according to the explanation given to us, there is no matter which may have an adverse effect on the functioning of the company.

## Report on other Legal and Regulatory Requirements

As required by the Companies (Audit Report) Order, 2016 ("the order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure –A, a statement on the matters specified in Para 3 and 4 of the order.

As required by section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss, and 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, 2016, taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, from being appointed as a Director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls, our financial reporting of the company and the operating effectiveness of such controls, the system of internal financial controls over financial reporting of the company was not made available to us to enable us to determine if the company has established adequate internal financial control over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2016. We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the company, and the disclaimer does not affect our opinion on the financial statements of the company.
- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor) Rules 2014, in our opinion 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

(SHASHI MOHAN KAPOOR)  
PARTNER

**Membership No. 005133**  
Firm Registration No. 104809W

Place: Mumbai  
Date: 30.05.2016

**(Annexure to 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 period 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 off accounts.
  - (c) In our opinion and according to the information and explanations given to us In our opinion and according to the information and explanations given to us, the title deed of the immovable properties of the company are held in the name of the Company.
- (ii) In respect of its Inventories, in our opinion and according to the information and explanations given to us, the management at reasonable intervals has physically verified the inventory and no material discrepancies were noticed on physical verifications.
- (iii) According to theA According to the information and explanations given to us, the Company has not granted loan to any party covered in register u/s. 2(76) hence, clause iii(a), (b) and (c) are not applicable.
- (iv) In respect of loans investments and guarantees, In our opinion and according to the information and explanations given to us, provisions of Section 185 and 186 of the Companies Act, 2013 have been complied with.
- (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
- 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, Service Tax, Custom Duty, Excise Duty, Value added Tax, and 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.9,71,216/-
  - (b) There are no disputed dues of Sales Tax, Income Tax, Customs Duty, Service Tax, Excise Duty, Value Added Tax, and any other statutory dues with the appropriate authorities during the period.
- (viii) In our opinion and according to the information and explanations given to us, since the company has not defaulted in repayment of dues to financial institutions, banks and debenture holders, clause viii is not applicable.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of public issue/follow-on offer.



## VENTURA TEXTILES LIMITED



- (x) 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 period.
- (xi) In our opinion and according to the information and explanations given to us, since no managerial remuneration has been paid / provided clause (xi) is not applicable.
- (xii) Since the company is not a Nidhi Company, clause xii is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with Section 188 and 177 of Companies Act, 2013 and the relevant details have been disclosed in the financial statement etc. as required by the accounting standards and Companies Act, 2013.
- (xiv) In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment/private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) In our opinion and according to the information and explanations given to us, the non- cash transactions with directors or persons connected with them, in our opinion, provisions of Section 192 have been complied with.

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

Sd/-  
**(SHASHI MOHAN KAPOOR)**  
PARTNER.

Membership No. 005133  
Firm Registration No. 104809W

Place: Mumbai  
Date : 30<sup>th</sup> May,2016.

# VENTURA TEXTILES LIMITED



## BALANCE SHEET AS AT 31ST MARCH, 2016

(Amount in Rupees)

Particulars	Note No.	As at 31st March, 2016	As at 31st March, 2015
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	16,44,06,890	16,44,06,890
Reserves and Surplus	3	(16,32,08,332)	(16,34,03,173)
		<b>11,98,558</b>	<b>10,03,717</b>
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	-	14,10,00,000
<b>Current Liabilities</b>			
Trade Payables	5	86,80,879	98,91,974
Other Current liabilities	6	10,89,29,815	3,22,40,112
		<b>11,76,10,694</b>	<b>4,21,32,086</b>
<b>TOTAL</b>		<b>11,88,09,252</b>	<b>18,41,35,803</b>
<b>ASSETS</b>			
<b>Non-Current assets</b>			
<b>Fixed Assets</b>			
Tangible assets	7	7,06,59,985	7,75,59,041
Long Term loans and advances	8	1,00,69,999	1,04,73,555
		<b>8,07,29,984</b>	<b>8,80,32,596</b>
<b>Current Assets</b>			
Trade receivables	9	23,60,253	20,72,721
Cash and cash equivalents	10	1,88,515	3,15,30,486
Short-term loans and advances	11	3,55,30,500	6,25,00,000
		<b>3,80,79,268</b>	<b>9,61,03,207</b>
<b>TOTAL</b>		<b>11,88,09,252</b>	<b>18,41,35,803</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

**(Shashi Mohan Kapoor)**  
Partner  
Membership No. 005133  
Firm Registration No.104809W

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

**Abhijit Rao**  
Whole-time Director & CFO  
DIN:00189126

**Shyam R. Karmarkar**  
Director  
DIN: 01365616

Place : Mumbai  
Date : 30th May, 2016

# VENTURA TEXTILES LIMITED



## STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH, 2016

(Amount in Rupees)

Particulars	Note No.	From 01.04.2015 To 31.03.2016	From 01.04.2014 To 31.03.2015
<b>INCOME :</b>			
Revenue from operations	12	5,06,000	9,49,146
Other Income	13	1,05,89,393	6,42,04,736
<b>Total Revenue</b>		<b>1,10,95,393</b>	<b>6,51,53,882</b>
<b>EXPENDITURE :</b>			
Cost of materials consumed		4,78,500	9,06,307
Employee benefits expense	14	10,60,624	12,01,629
Finance Cost	15	2,03,659	2,97,03,790
Depreciation and amortization expense		45,03,450	50,33,719
Other expenses	16	46,54,319	51,70,046
<b>Total Expenses</b>		<b>1,09,00,552</b>	<b>4,20,15,491</b>
Profit / (Loss) before tax and Exceptional Income		1,94,841	2,31,38,391
Exceptional Income		-	-
Tax expense :			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the Year		1,94,841	2,31,38,391
Earnings per equity share of face value of Rs.10/- each			
Basic & Diluted before Exceptional Income	30	0.01	1.41
Basic & Diluted after Exceptional Income		0.01	1.41

**Significant Accounting Policies** 1 to 32

### Notes on Financial Statements

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

As per our Audit Report of even date

For and on behalf of the Board of Directors

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

**(Shashi Mohan Kapoor)**  
Partner  
Membership No. 005133  
Firm Registration No.104809W

Place : Mumbai  
Date : 30th May, 2016

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

**Abhijit Rao**  
Whole-time Director & CFO  
DIN:00189126

**Shyam R. Karmarkar**  
Director  
DIN: 01365616

# VENTURA TEXTILES LIMITED



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016 (Amount in Rupees)

	For the year ended 31.03.2016	For the year ended 31.03.2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:</b>		
<b>a. Net Profit / (Loss) before Tax &amp; Extraordinary items</b>	<b>1,94,841</b>	<b>2,31,38,391</b>
Adjustments for :		
Depreciation	45,03,450	50,33,719
Depreciation adjusted of earlier years	-	(2,42,37,899)
Interest Expense	2,03,659	2,97,03,790
Profit / (Loss) on sale of fixed assets	1,05,89,393	6,42,04,736
Interest Income	-	-
	<u>1,52,96,502</u>	<u>7,47,04,346</u>
<b>b. Operating profit before working capital changes</b>	<b>1,54,91,343</b>	<b>9,78,42,737</b>
Adjustments for :		
Increase / (Decrease) in trade and other receivables	2,70,85,523	(4,05,16,363)
Increase / (Decrease) in Equity	-	-
Increase / (Decrease) in Inventories	-	-
Increase / (Decrease) in trade payables and other liabilities	7,54,78,608	10,25,64,130
	<u>10,25,64,130</u>	<u>2,81,07,888</u>
<b>c. Cash generated from operations</b>	<b>11,80,55,474</b>	<b>8,54,34,262</b>
Interest Income	-	-
Direct Taxes paid (provision)	-	-
<b>d. Cash flow before Extraordinary items</b>	<b>11,80,55,474</b>	<b>8,54,34,262</b>
Extraordinary items - Prior period adjustments	-	-
<b>Net Cash from Operating Activities A</b>	<b>11,80,55,474</b>	<b>8,54,34,262</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale / Adjustments of Fixed Assets	(81,93,787)	(3,86,71,573)
<b>Net Cash used in Investing Activities B</b>	<b>(81,93,787)</b>	<b>(3,86,71,573)</b>
<b>C. CASH FLOW FROM FINANCIAL ACTIVITIES:</b>		
Proceeds from long term borrowings	(14,10,00,000)	-
Interest Paid	(2,03,659)	(2,97,03,790)
<b>Net Cash used in Financing Activities C</b>	<b>(14,12,03,659)</b>	<b>2,97,03,790</b>
<b>D. Net Increase in Cash and Cash Equivalents A + B + C</b>	<b>(3,13,41,972)</b>	<b>17,05,89,899</b>
Cash and Cash Equivalents as at 1st April, 2015	3,15,30,486	1,44,71,587
Cash and Cash Equivalents as at 31st March, 2016	1,88,514	3,15,30,486
<b>Net Increase in Cash and Cash Equivalents</b>	<b>(3,13,41,972)</b>	<b>1,70,58,899</b>

As per our Audit Report of even date  
For **S.M.Kapoor & Co.**  
Chartered Accountants

For and on behalf of the Board of Directors

**(Shashi Mohan Kapoor)**  
Partner  
Membership No. 005133  
Firm Registration No.104809W  
Place : Mumbai  
Date : 30th May,2016

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

**Abhijit Rao**  
Whole-time Director & CFO  
DIN:00189126

**Shyam R. Karmarkar**  
Director  
DIN: 01365616

**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, 1956.
- 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.

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/prevaling 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, 2016 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, 2016

Note No.	As at 31st March, 2016		As at 31st March, 2015	
	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)	40,00,00,000		40,00,00,000	
10,00,00,000 Preference Shares of Rs.100/- each (Previous Year 1000000 Preference Shares of Rs.100/- each)	10,00,00,000		10,00,00,000	
		<u>50,00,00,000</u>		<u>50,00,00,000</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)	16,45,32,890		16,45,32,890	
Less : Call Money Receivable (Receivable from Directors Nil)	1,26,000		1,26,000	
		16,44,06,890		16,44,06,890
		16,44,06,890		16,44,06,890
		-		-
Add: Capital Issued during the year		-		-
<b>TOTAL</b>		<u>16,44,06,890</u>		<u>16,44,06,890</u>

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

Note No.	Name of the Shareholder	As At 31.03.2016		As At 31.03.2015	
		No. of Shares	% held	No. of Shares	% held
	Balance at the beginning	1,64,53,289	16,45,32,890	1,64,53,289	16,45,32,890
	Add: Shares issued during the period	-	-	-	-
	<b>Balance at the end of the Period / Year</b>	<b>1,64,53,289</b>	<b>16,45,32,890</b>	<b>1,64,53,289</b>	<b>16,45,32,890</b>

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

Note No.	Name of the Shareholder	As At 31.03.2016		As At 31.03.2015	
		No. of Shares	% held	No. of Shares	% held
	Penny Securities & Investments Pvt Ltd	76,86,858	46.76	76,86,858	46.76
	Indo Gulf Financials Ltd	32,85,000	19.98	32,85,000	19.98
	Ventura Texperts Pv Ltd	11,31,915	6.88	11,31,915	6.88
	JM Financials Asset Reconstruction Company Pvt Ltd	9,87,325	6.01	9,87,325	6.01
	Rita J Bhuta	20,00,000	12.16	20,00,000	12.16

# VENTURA TEXTILES LIMITED



## NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Note No.	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>3 RESERVES AND SURPLUS</b>				
<b>Securities Premium Reserves</b>				
As per last Balance Sheet		1,48,13,783		1,48,13,783
Less : Share Premium Receivable (Receivable from Directors Nil)		<u>1,58,600</u>		<u>1,58,600</u>
		1,46,55,183		1,46,55,183
<b>Subsidy</b>				
As per last Balance Sheet		20,00,000		20,00,000
<b>Surplus (Profit &amp; Loss Account)</b>				
As per last Balance Sheet		(18,00,58,356)		(17,89,58,848)
Add: Profit / (Loss) of the year		1,94,841		2,31,38,391
Less : Depreciation of earlier years		-		2,42,37,899
		<u>(17,98,63,515)</u>		<u>(18,00,58,356)</u>
<b>TOTAL</b>		<b>(16,32,08,332)</b>		<b>(16,34,03,173)</b>
<b>4 LONG TERM BORROWINGS</b>				
<b>Secured</b>				
Term Loan		- 14,10,00,000		14,10,00,000
<b>TOTAL</b>		<u>-</u>		<u>14,10,00,000</u>
<b>5 TRADE PAYABLES</b>				
Micro, Small and Medium Enterprises		-		-
Others		<u>86,80,879</u>		<u>98,91,974</u>
		<u>86,80,879</u>		<u>98,91,974</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		-		2,42,30,000
Other Liabilities		10,68,28,821		29,96,291
Duties & Taxes		21,00,994		50,13,821
		<u>10,89,29,815</u>		<u>3,22,40,112</u>



NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016

Note 7

FIXED ASSETS

Particulars of Assets	(Amount in Rs.)											
	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	As at 01.04.2015	Additions/ Adjustments during the year	Sales / Transfer during the year	As at 31.03.2016	Deprn Rate %	Upto 31.03.2015	Depreciation for the Earlier years (Excess)/Shortage (*)	For the Year	Sales / Adjustments	Upto 31.03.2016	As at 31.03.2016	As at 31.03.2015
Freehold Land	14,80,302	-	1,03,028	13,77,274		-	-	-	-	5,71,59,578	13,77,274	14,80,302
Buildings	11,04,24,084	-	-	11,04,24,084	3.17	5,41,48,333	-	30,11,245	-	5,71,59,578	5,32,64,506	5,62,75,750
Plant & Machinery	30,33,80,900	-	7,24,09,178	23,09,71,722	6.33	28,48,69,516	-	14,92,205	7,01,16,599	21,62,45,122	1,47,26,600	1,85,11,384
Furniture & Fixtures	24,00,008	-	-	24,00,008	9.50	22,80,008	-	-	-	22,80,008	1,20,000	1,20,000
Office Equipments	16,80,66	-	-	16,80,665	19.00	15,96,632	-	-	-	15,96,632	84,033	84,033
Electrical Installation	2,05,87,676	-	-	2,05,87,676	9.50	1,95,58,292	-	-	-	1,95,58,292	10,29,384	10,29,384
Computers	11,66,095	-	-	11,66,095	31.67	11,07,907	-	-	-	11,07,907	58,188	58,188
<b>Current Year's Total</b>	<b>44,11,19,730</b>	-	<b>7,25,12,206</b>	<b>36,86,07,524</b>		<b>36,35,60,688</b>	-	<b>45,03,450</b>	<b>7,01,16,599</b>	<b>29,79,47,539</b>	<b>7,06,59,985</b>	<b>7,75,59,041</b>
<b>Previous Year's Total</b>	<b>44,48,31,520</b>	-	<b>37,11,790</b>	<b>44,11,19,730</b>		<b>33,67,05,596</b>	<b>2,42,37,899</b>	<b>50,33,719</b>	<b>24,16,526</b>	<b>36,35,60,688</b>	<b>7,75,59,041</b>	<b>10,81,25,924</b>

**NOTES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2016**

Note No.	As at 31st March, 2016		As at 31st March, 2015	
	Rs.	Rs.	Rs.	Rs.
<b>8 LONG TERM LOANS AND ADVANCES</b>				
Others		76,39,551		77,43,107
Deposits		24,30,448		27,30,448
		<u>1,00,69,999</u>		<u>1,04,73,555</u>
<b>8.1</b>	Other loans and advances include amounts of Cenvat, TDS and Interest receivables.			
<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		23,60,253		20,72,721
Other Debts		-		-
<b>TOTAL</b>		<u>23,60,253</u>		<u>20,72,721</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		1,16,589		3,15,21,246
Cash on Hand		71,926		9,241
<b>TOTAL</b>		<u>1,88,515</u>		<u>3,15,30,486</u>
<b>11 SHORT TERM LOANS AND ADVANCES</b>				
(Unsecured, Considered Good)				
Loans and Advances to Related Parties		-		-
Others		3,55,30,500		6,25,00,000
		<u>3,55,30,500</u>		<u>6,25,00,000</u>

11.1 The above include an advance of Rs.2,55,00,000/- towards building refurbishment / renovation works. Rs.79,30,500/- towards sale of machinery and Rs.21,00,000/- towards purchase of machinery (Capital Goods)

# VENTURA TEXTILES LIMITED



## NOTES FORMING PART OF THE PROFIT AND LOSS STATEMENTS AS AT 31ST MARCH, 2016

Note No.		From 01.04.2015 To 31.03.2016	From 01.04.2014 To 31.03.2015
<b>12</b>	<b>REVENUE FROM OPERATION</b>		
	Sales - Local	5,06,000	9,49,146
	<b>TOTAL</b>	<u>5,06,000</u>	<u>9,49,146</u>
<b>13</b>	<b>OTHER INCOME</b>		
	Profit on Sale of Machinery	54,82,421	-
	Profit on Sale of Land	51,06,972	6,42,04,736
	Interest Income	-	-
	<b>TOTAL</b>	<u>1,05,89,393</u>	<u>6,42,04,736</u>
<b>14</b>	<b>EMPLOYEE BENEFITS EXPENSE</b>		
	Salaries, Wages, Compensation & Bonus	9,88,260	11,50,939
	Workmen and Staff Welfare	72,364	50,690
	<b>TOTAL</b>	<u>10,60,624</u>	<u>12,01,629</u>
<b>15</b>	<b>FINANCE COST</b>		
	<b>Interest</b>		
	Interest on Others	1,68,833	-
	Term Loan from Bank/Institutions	-	2,97,00,000
	<b>Finance Charges</b>		
	Bank Charges	34,826	3,790
	<b>TOTAL</b>	<u>2,03,659</u>	<u>2,97,03,790</u>
<b>16</b>	<b>OTHER EXPENSES</b>		
	<b>Manufacturing &amp; Operating Expenses</b>		
	Power, Fuel and Water Charges	2,50,858	3,03,621
	Insurance	67,113	90,354
	<b>Administrative Expenses</b>		
	Travelling & Conveyance	3,05,272	2,99,640
	Motor Car Expenses	5,11,105	6,10,167
	Postage and Telephone	76,043	2,18,407
	Directors' Remuneration	-	60,000
	Legal & Professional Charges	7,97,582	1,45,862
	Printing & Stationery	39,725	21,757
	Rent, Rates & Taxes	19,54,696	24,43,101
	(includes managerial remuneration towards rent of Rs. 4,40,000)		
	Payment to Auditors	1,14,000	1,12,360
	Miscellaneous Expenses	4,25,548	7,03,178
	Annual Fees	1,12,377	1,61,599
	<b>TOTAL</b>	<u>43,36,348</u>	<u>47,76,071</u>
	<b>TOTAL</b>	<u>46,54,319</u>	<u>51,70,046</u>

17. Contingent Liability: For the Current Period is Nil (Previous Year Rs. 5225.19 Lacs).
18. The Company has accumulated losses amounting to Rs.16,32,08,332/-, 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	Nil	-	Nil	-
ii. Stores & Spares	Nil	-	Nil	-
<b>b) Expenditure in Foreign Currency</b>				
i. Travelling	Nil	-	Nil	-
ii. Commission on Sales	Nil	-	Nil	-
<b>c) Earnings in Foreign Currency</b> F.O.B Value of Exports	Nil	-	Nil	-
<b>d) Exchange Difference Gain /(Loss) charged to P&amp;L A/c.</b>	Nil	-	Nil	-

**27. Auditors' Remuneration:**

		<b>Current Year Rs.</b>	Previous Year Rs.
a)	Audit Fees	<b>1,14,000</b>	1,12,360
b)	Tax Audit		
c)	Certification, Taxation & Others	-	-
	<b>Total</b>	<b>1,14,000</b>	1,12,360

**28. Managerial Remuneration :**

		<b>Current Year Rs.</b>	Previous Year Rs.
a)	Salary	-	60,000
b)	Perquisites	<b>4,40,000</b>	12,60,000
c)	Contribution to P.F. and Other Funds	-	-
	<b>Total</b>	<b>4,40,000</b>	13,20,000

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	(Nil)	Nil	(Nil)
<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 (Managerial Remuneration)	Nil	(Nil)	Nil	(Nil)	4.40	(12.60)
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	30.95	(Nil)	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. 1,94,841</b>	<b>Rs.2,31,38,390</b>
Add: Extraordinary items	—	—
Profit / (Loss) after exceptional/extra-ordinary items	<b>Rs.1,94,841</b>	<b>Rs.2,31,38,390</b>
<b>Weighted Average number of Equity Shares</b>	<b>164,40,689</b>	<b>164,40,689</b>
Nominal value of Equity Shares	Re. 10/- each	Re. 10/- each
Basic and Diluted Earning per Equity Share before Exceptional / Extra-ordinary item (Annualized)	<b>Rs. 0.01</b>	<b>Rs. 1.41</b>
Basic and Diluted Earning per Equity Share after Exceptional / extra-ordinary item (Annualized)	<b>Rs. 0.01</b>	<b>Rs. 1.41</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

**(Shashi Mohan Kapoor)**  
Partner  
Membership No. 005133  
Firm Registration No.104809W

Place : Mumbai  
Date : 30<sup>th</sup> May, 2016

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

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

**Abhijit Rao**  
Whole-Time Director & CFO  
DIN:00189126

**Shyam R. Karmarkar**  
Director  
DIN: 01365616

# VENTURA TEXTILES LIMITED



ATTENDANCE SLIP

## VENTURA TEXTILES LIMITED

CIN: L21091MH1970PLC014865

Regd. Office: 211/ 212, Midas, Sahar Plaza, J. B. Nagar, Andheri - Kurla Road, 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 46<sup>th</sup> Annual General Meeting of Ventura Textiles Limited of the Company held on Friday, the 23<sup>rd</sup> Day of September, 2016 at 10.00 a.m. at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri - Kurla Road, 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 - Kurla Road, 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]**

	E-mail Id:
	Folio No./*Client ID
	*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 46<sup>th</sup> Annual General Meeting of Ventura Textiles Limited will be held on Friday, the 23<sup>rd</sup> day of September, 2016 at 10.00 a.m. at 211 / 212, Midas, Sahar Plaza, J. B. Nagar, Andheri - Kurla Road, 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, 2016.		
2. Re-appointment of Mr. P.M.Rao (DIN: 00197973) 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. Re-appointment of Mr. Abhijit Rao Penugonda (DIN: 00189126) as the Whole-Time Director of the Company for a period of five years with effect from November 01, 2016.		
5. Issue of 20,00,000 (Twenty Lakh) 0% Optionally Fully Convertible Debentures of face value of Rs.10/- each to Sai Creations on Preferential Basis.		

\*Applicable for investors holding shares in electronic form.

\*\* This is optional

Signed this \_\_\_\_ day of \_\_\_\_\_, 2016

Affix  
One Rupee  
Revenue  
Stamp

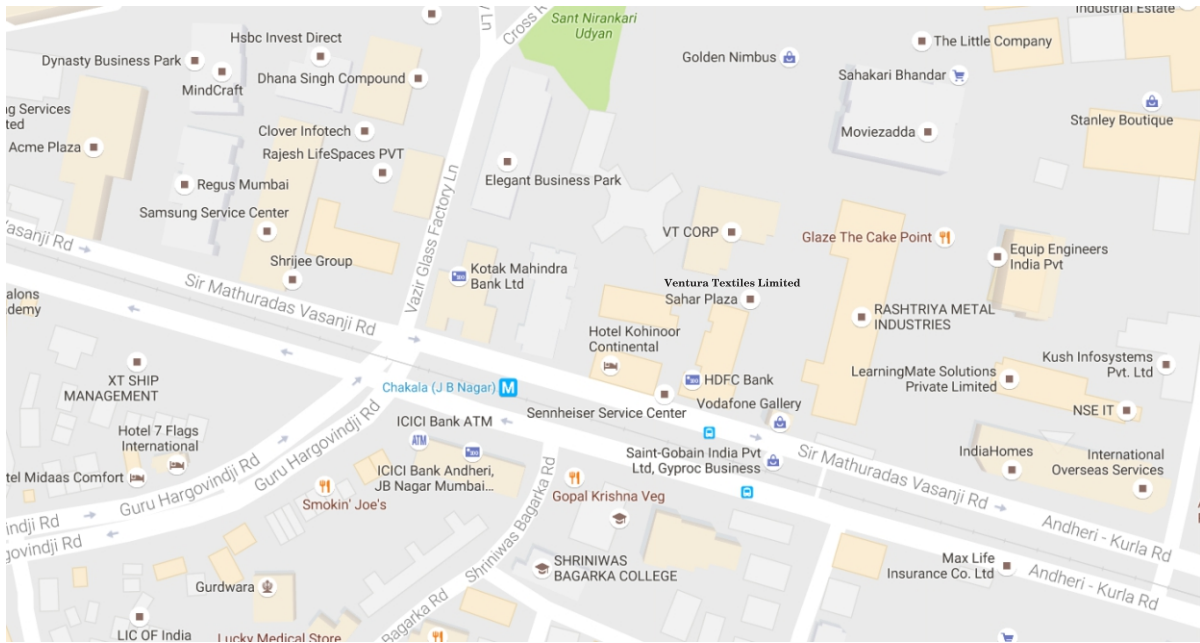
\_\_\_\_\_  
Signature of the Proxy holder(s):

\_\_\_\_\_  
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.**



## Route Map for AGM



PRINTED MATTER

To,

*If undelivered, please return to:*

**VENTURA TEXTILES LIMITED**

Regd. Office :

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